



(Convenience translation into English  
from the original previously issued in  
Portuguese)

**METALFRIO SOLUTIONS S.A.**

**Individual and consolidated interim financial  
information  
As at March 31, 2024**

## **METALFRIO SOLUTIONS S.A.**

### **Individual and consolidated interim financial information As at March 31, 2024**

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## First quarter 2024 results

May 14<sup>th</sup>, 2024

São Paulo, Brazil, May 14<sup>th</sup>, 2024 – Metalfrio Solutions S.A. (FRI03) ("Metalfrio"), the world's leading provider of refrigeration solutions, announces its results for the first quarter of 2024 ("1Q24"). Financial and operating information is in accordance with the accounting standards practiced in Brazil and the international accounting standards (IFRS), in Reais (BRL). The comparisons refer to the first quarter of 2023 ("1Q23").

### 1Q24 HIGHLIGHTS

- The Company concluded on February 19<sup>th</sup>, 2024 the capital increase in the amount of BRL 743.0 MM. This fact gives us a more solid capital structure, unlocking our potential to generate results.
- Excluding the non-cash accounting effect in Turkey's hyperinflationary economy on deferred income tax, Net Cash Profit becomes BRL 10.8 MM in 1Q24, generated mainly by the South American operation. Net Profit in 1Q24 BRL 1.1 MM, against a Loss of BRL 27.6 MM in 1Q23.
- Adjusted EBITDA for the period was BRL 44.3 million (margin of 10.2%), compared to BRL 35.4 million in 1Q23 (margin of 7.5%), with a significant contribution from South America (BRL 33.8 million with a margin of 17.5%).
- The expansion strategy of the services segment (Life Cycle + Begur + 3L) continues to deliver good results with net revenue reaching BRL 87.8 million in 1Q24, a growth of 6.2% compared to 1Q23. In South America, where it grew 19.6% in the quarter-on-quarter comparison, this revenue already represents 32.9% of the total (20.2% including other regions).
- Net revenue of BRL 434.3 MM in 1Q24 against BRL 470.9 MM in 1Q23, drop of 7.8%, given the adverse economic conditions in the EMEA region. The drop in volumes demanded all Company's ability to adjust to generate better results.

Company's comment on the results:

The Company's performance in 1Q24 demonstrated its resilience and deleveraging capability in the face of a decline in sales volumes, as shown by the numbers presented. Despite an 8% decrease in revenue, all other lines of the P&L showed significant improvements: gross margin from 16.4% to 18.8%, EBITDA from 7.5% to 10.2%, and slightly positive net profit compared to a loss of 5.9%, all compared to the same period last year.

In the EMEA region, served by our factories in Russia and Turkey, revenues fell by 4% and 29% year-on-year, respectively. The slight decline in Russia indicates a level of activity similar to last year, which is expected to continue in the coming quarters. In Turkey, there was a delivery postponement in this quarter demanded by customers, which is expected to be compensated for in the next quarter, meaning it is not a structural decline in business volume. The Turkish operation managed to improve profitability despite the temporary volume decline, with gross margin increasing from 14.2% to 19.2% and EBITDA margin from 0.4% to 4.0%. The financial result variation in Russia is not material.

We are pleased to note for yet another quarter the solidity and consistency of results from the South American operation served by the Três Lagoas, MS factory. Looking at the sales profile in more detail, it is worth noting that the share of non-branded products has grown substantially, which is expected to be a new trend.

Our North American operation, served by the Mexico factory, continues to show significant performance and results improvements. Net revenue grew by 25% year-on-year, gross margin increased from 8% to 11.3%, and EBITDA from 1.5% to 6.6%, profitability levels still distant from those in Brazil but demonstrating a vigorous recovery.

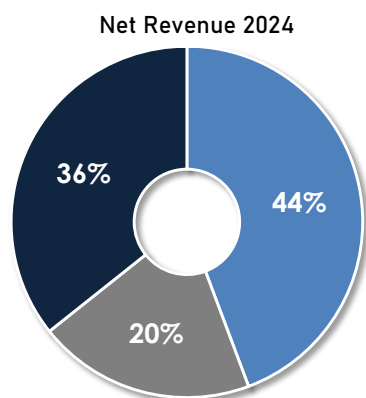
Life-Cycle billed R\$ 49.7 million in the quarter, growing by 11% compared to the same period last year and confirming the Company's strategic focus on services with solid profitable revenue generation. When we add the logistics and rental business to it the results are even more remarkable with revenues for the whole Services division growing 6% (from R\$ 83MM to R\$ 88MM) and operating profit increasing 26.6% (from R\$ 15.3MM to R\$ 19.3MM).

Finally, a note regarding what has been the company's main focus, which is cash generation. We presented a positive cash generation of R\$ 17 million, although not all regions have yet contributed positively. As a result of the operational results combined with the capital increase the leverage of the Company measured by Net debt/Ebitda LTM, dropped from 6.66 times to 2.64 times.

| (BRL million)      | 1Q24  | 1Q23  | % Var |
|--------------------|-------|-------|-------|
| Net Revenue        | 434.3 | 470.9 | -7.8  |
| Gross Profit       | 81.7  | 77.0  | 6.0   |
| Op. Profit         | 28.4  | 23.3  | 22.1  |
| EBITDA             | 44.3  | 35.4  | 25.2  |
| Adj. EBITDA        | 44.3  | 35.4  | 25.2  |
| Adj. EBITDA Margin | 10.2% | 7.5%  |       |
| Net Result         | 1.1   | -27.6 | -     |

## Net Revenue

Consolidated net revenue fell 7.8% in the first quarter of 2024 to BRL 434.3 million, compared to BRL 470.9 million in the same period of 2023. This reduction is due to the continued challenging macroeconomic scenario in the EMEA region, where enormous pressure upon costs persists throughout the chain and the fact that the Company strategically focuses on higher value products. Net Revenue in the Americas advanced consistently as a result of the strategies adopted in these regions to maintain margins and focus on white label goods.



- South America
- Central & North America
- EMEA

| (BRL million)                  | 1Q24  | 1Q23  | % Var  |
|--------------------------------|-------|-------|--------|
| South America                  | 192.4 | 182.9 | 5.2    |
| Central and North America      | 86.9  | 69.8  | 24.5   |
| Europe, Middle East and Africa | 155.1 | 218.1 | (28.9) |
| TOTAL                          | 434.3 | 470.9 | (7.8)  |

### South America

Sales in 1Q24 reached BRL 192.4 million (an increase of 5.2% compared to 1Q23), as the region continued to show significant growth in the distribution channel as well as in non-Key Accounts.

Services maintain a consistent pattern of growth (19.6% in net revenue above 1Q23), increasing the total share on revenue for the period to 32.9% through the acquisition of new customers and expansion of services/areas served demonstrating the strength of this business line into our Company (Life-Cycle + Begur + 3L).

### Central & North America

In 1Q24, the region recorded a 24.5% increase in Revenue compared to 1Q23, basically due to an increase in sales in the distributor channel and the resumption of purchases by a relevant Key Account. Services fell by BRL 3.3 million (-35.6%) compared to 2023 due to the postponement of revenue from remanufactured products to subsequent quarters and this line represented 6.9% of total revenue in Central and North America.

### Europe, Middle East & Africa (EMEA)

In 1Q24, EMEA sales fell 28.9% compared to 1Q23 and reached BRL 155.1 million of net revenue. Both macroeconomic and geopolitical environments remain challenging in the markets served by our factories in this region. The strategy remains focused on defending profitability and cash generation in a scenario of repressed demand.

## Gross Profit (BRL million) & Gross Margin

Gross Profit in the first quarter of 2024 was BRL 81.7 million (18.8% of Gross Margin) against BRL 77.0 million (16.4% of Gross Margin) in 2023. All geographies achieved higher margins than 2023, 22.3% in South America, 18.7% in EMEA and 11.3% in North America (21.4%, 14.2% and 9.8% in 2023, respectively) due to the focus in profitability and a higher value-added portfolio, as previously mentioned. It was also key the strengthening of services in South America, and also improvement in EMEA despite the challenging business environment.

## Operating Expenses (SG&A)

Selling, general and administrative expenses reduced 7.8% to BRL 65.0 million in 1Q24 (vs. BRL 70.5 million in 1Q23), as a percentage of revenue, SG&A remained stable at 15.0%.

In South America, operating expenses remained stable (14.4% of NR in 1Q24 vs. 14.3% in 1Q23), while in Central and North America presented a reduction to 7.4% in 1Q24 from 10.3% in 1Q23 (BRL 0.7 million reduction) mainly due to the less freight and warranty expenses. In the EMEA operation, there was a percentage increase due to the net revenue shortage between the quarters, however, in absolute terms, operating expenses fell by BRL 6.4 million, mainly due to the reduction in freight, driven by sales increase in the local market and better logistical margin.

## EBITDA & EBITDA Margin

Adjusted EBITDA for the first quarter of 2024 increased by 25.2% to BRL 44.3 million due to the continued good performance in South America and operational recovery from less favorable results in the previous year for Central and North America and EMEA. The Adjusted EBITDA margin was 10.2% in 1Q24 vs. 7.5% in the previous period.

In South America, Adjusted EBITDA remained stable in absolute terms (BRL 33.7 million), while Adjusted EBITDA Margin falling 0.9 p.p.

Our operations in Central and North America maintain the pace of recovery with operational improvements in the production and supply chain followed by gross margin gains reaching an Adjusted EBITDA of BRL 6.0 million in 1Q24 (7.0% of Adjusted EBITDA Margin) vs. BRL 1.0 million in 1Q23 (1.5% of Adjusted EBITDA Margin).

In EMEA, Adjusted EBITDA was BRL 4.5 million (3.0% of Margin) in 1Q24 vs BRL 0.6 million (0.3% of Margin) in the same period of 2023.

## Reconciliation of EBITDA and Adjusted EBITDA

| EBITDA (BRL million)                        | 1Q23  | 2Q23  | 3Q23  | 4Q23  | 1Q24  | 1Q24 vs 1Q23 |
|---|-------|-------|-------|-------|-------|--------------|
| Operating result                            | 23.3  | 47.1  | 37.3  | 23.7  | 28.4  | 22.1%        |
| Depreciation and amortization               | 12.1  | 14.5  | 14.0  | 16.7  | 15.9  | 31.0%        |
| EBITDA                                      | 35.4  | 61.6  | 51.4  | 40.3  | 44.3  | 25.2%        |
| Other extraordinary expenses/income (i, ii) | 0.0   | 0.0   | 0.9   | 16.3  | 0.0   |              |
| Adjusted EBITDA                             | 35.4  | 61.6  | 52.2  | 56.6  | 44.3  | 25.2%        |
| EBITDA LTM                                  | 210.3 | 217.7 | 229.8 | 205.8 | 214.7 | 2.1%         |

i. SOP expenses (BRL 1.7)

ii. Closing costs of VSA/BR operation (BRL 15.5)

## Financial Result

The Net Financial Result of 1Q24 showed a significant reduction due to the capital increase and subsequent capitalization carried out on February 19, 2024, according to the Material Fact published by the Company. Additionally, EMEA presented a positive net exchange rate variation despite the still high interest rates arising from debt in Turkish lira, pressured by high local inflation (68.6% in March 2024). Thus, the result was a financial expense of BRL 16.9 million in 1Q24 vs BRL 52.7 million in 1Q23.

| Financial Result (BRL million)  | 1Q24  | 1Q23  | Var.<br>24/23 |
|---------------------------------|-------|-------|---------------|
| Result with cash investments    | 1.4   | 1.6   | -16.9%        |
| Other financial income          | 1.6   | 1.3   | 25.0%         |
| Interest and Other Income       | 3.0   | 2.9   | 1.8%          |
| Interest on loans and financing | -22.4 | -53.2 | -58.0%        |
| Other financial expenses        | -8.5  | -7.2  | 18.3%         |
| Interest and Other Expenses     | -30.8 | -60.4 | -48.9%        |
| Hedge Operations Result         | 0.0   | 0.0   | 0.0%          |
| Securities market Value Change  | 5.8   | 6.7   | -13.0%        |
| Net FX Variation                | 5.1   | -2.0  | -358.2%       |
| Net Financial Result            | -16.9 | -52.7 | -68.0%        |

### Net Income/Loss

Excluding the non-cash accounting effect in Turkey's hyperinflationary economy on deferred income tax, Net Cash Profit becomes BRL 10.8 MM in 1Q24, generated mainly by the South American operation. Net Profit in 1Q24 BRL 1.1 MM, against a Loss of BRL 27.6 MM in 1Q23.

### Working Capital

In 1Q24, working capital subtracted from financial assets and liabilities was BRL 518.2 million, a reduction of BRL 109.7 million compared to the previous year. This is mainly due to the extension of payment terms with suppliers, partially offset by the increase in inventory levels.

| Working Capital (BRL million)                         | 1Q23    | 2Q23    | 3Q23    | 4Q23    | 1Q24    | Var.<br>1Q24/<br>1Q23 |
|---|---------|---------|---------|---------|---------|-----------------------|
| <u>A) Current assets (less fin. assets):</u>          | 1,121.8 | 1,094.4 | 1,089.3 | 1,070.7 | 1,106.2 | -15.6                 |
| Accounts Receivable                                   | 515.0   | 585.7   | 544.2   | 600.7   | 502.4   | -12.6                 |
| Inventories   | 399.8   | 366.0   | 379.3   | 323.4   | 442.1   | 42.3                  |
| Others  | 207.1   | 142.7   | 165.9   | 146.7   | 161.7   | -45.4                 |
| <u>B) Current liabilities (less fin. liabilities)</u> | 493.9   | 495.7   | 500.0   | 553.5   | 588.0   | 94.0                  |
| Accounts Payable & Confirming                         | 342.9   | 347.7   | 359.0   | 391.3   | 411.3   | 68.3                  |
| Others  | 151.0   | 148.0   | 141.0   | 162.2   | 176.7   | 25.7                  |
| Working Capital (A-B)                                 | 627.9   | 598.7   | 589.3   | 517.2   | 518.2   | -109.7                |
| Days Sales Outstanding                                | 81      | 92      | 86      | 95      | 79      | -2                    |
| Dias Inventory Outstanding                            | 91      | 81      | 84      | 71      | 98      | 6                     |
| Dias Payable Outstanding                              | 78      | 77      | 79      | 86      | 91      | 12                    |
| Cash Cycle  | 94      | 96      | 90      | 80      | 86      | -8                    |

### Fixed Assets

#### Fixed Assets

In 1Q24, net fixed assets were BRL 331.2 million (compared to BRL 296.7 million in 1Q23), with the increase eminently explained by investments made in our plants in Brazil.

#### Intangible

Total intangible assets of BRL 144.9 million in 1Q24 (vs. BRL 147.9 million in 1Q23) with the reduction explained by amortizations over the time.

| Fixed Assets (BRL million) | 1Q23  | 2Q23  | 3Q23  | 4Q23  | 1Q24  | Var. 1Q24/1Q23 |
|----------------------------|-------|-------|-------|-------|-------|----------------|
| Net PP&E                   | 296.7 | 290.1 | 302.0 | 319.1 | 331.2 | +34.5          |
| Intangible                 | 147.9 | 146.6 | 145.2 | 144.1 | 144.9 | -3.0           |
| Total                      | 444.6 | 436.7 | 447.2 | 463.2 | 476.1 | +31.5          |

## Capitalization and Liquidity

In 1Q24, Cash and cash equivalents were BRL 166.6 million and Gross Debt was BRL 734.0 million, a significant reduction in Net Debt of R\$833.2 million compared to 1Q23, given by the capital increase, reaching the level of R\$ 567.4 million.

| Liquidity Indicators (BRL million)              | 1Q23    | 2Q23    | 3Q23    | 4Q23    | 1Q24   | Var. 1Q24/1Q23 |
|---|---------|---------|---------|---------|--------|----------------|
| Cash and cash equivalents, bonds and securities | 148.3   | 154.7   | 153.8   | 181.4   | 166.6  | 18.3           |
| Short term debt (ST)                            | 1,367.8 | 1,341.5 | 1,355.0 | 1,279.9 | 553.7  | -814.1         |
| Long term debt (LT)                             | 181.1   | 163.8   | 175.6   | 218.5   | 180.3  | -0.8           |
| USD denominated debt                            | 97.7    | 99.1    | 83.2    | 75.4    | 88.8   | -8.9           |
| BRL denominated debt                            | 900.1   | 931.4   | 957.9   | 972.6   | 163.3  | -736.8         |
| EUR denominated debt                            | 383.4   | 295.2   | 316.3   | 283.7   | 317.8  | -65.6          |
| TRY denominated debt                            | 152.6   | 148.2   | 143.4   | 143.9   | 142.3  | -10.3          |
| MXN denominated debt                            | 10.5    | 10.5    | 10.8    | 8.9     | 8.6    | -1.9           |
| Other currencies                                | 5.6     | 20.9    | 19.2    | 13.8    | 13.1   | 7.5            |
| Gross debt                                      | 1,548.9 | 1,505.3 | 1,530.6 | 1,498.4 | 734.0  | -814.9         |
| Net cash / (Net debt)                           | -1400.6 | -1350.6 | -1376.8 | -1317.0 | -567.4 | 833.1          |
| Shareholders' equity                            | -356.8  | -340.2  | -362.8  | -330.2  | 423.3  | 780.1          |
| Cash and cash equiv. / ST debt                  | 0.1x    | 0.1x    | 0.1x    | 0.1x    | 0.3x   | n/a            |
| ST debt / (ST + LT)                             | 88.3%   | 89.1%   | 88.5%   | 85.4%   | 75.4%  | n/a            |
| Net cash (Net debt) / Equity                    | n/a     | n/a     | n/a     | n/a     | -1.3x  | n/a            |
| Net debt / (Net debt + Equity)                  | 134.2%  | 133.7%  | 135.8%  | 133.5%  | 57.3%  | n/a            |
| Net debt / EBITDA LTM                           | -6.66x  | -6.20x  | -5.99x  | -6.40x  | -2.64x | n/a            |

## Net Equity

Shareholders' equity in 1Q24 was BRL 339.5 million against a negative balance in 1Q23 of BRL 427.9 million.

## RESULTS WEBCAST – 1Q24 – Metalfrio May 21<sup>st</sup>, 2024

Portuguese

[Webcast](#)

[ri.metalbrio.com.br](http://ri.metalbrio.com.br)

English

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### Additional Information

#### Statement of the Board of Directors

In compliance with the provisions contained in article 25 from the Instruction 480/2009 of CVM (Brazilian Securities and Exchange Commission), the Board of Directors declares that it has discussed, reviewed, and agreed with the Independent Auditors' Opinion and with the quarterly information for the period ended March 31<sup>st</sup>, 2024.

#### Relationship with Independent Auditors

In compliance with the determination Instruction 381/2003 of CVM (Brazilian Securities and Exchange Commission), we inform that in the first quarter of 2024 we did not hire our Independent Auditors for services not related to external auditing.

The Company's policy for contracting independent audit services ensures that there is no conflict of interest, loss of independence or objectivity for services eventually provided by independent auditors not related to external auditing.

#### Commitment Clause

The Company, its shareholders, managers and the members of the Fiscal Council, if installed, undertake to resolve, through arbitration, any and all disputes or controversies that may arise between them, related to or arising, in particular, from the application, validity, effectiveness, interpretation, violation and its effects, of the provisions contained in the Brazilian Corporate Law, in the Company's Bylaws, in the rules issued by CMN, the Banco Central do Brasil and the CVM, as well as in the other rules applicable to the operation of the capital market in general, in addition to those contained in the Novo Mercado Regulation, the Novo Mercado Participation Agreement and the Arbitration Regulation.

#### Legal Disclaimer

The information in this performance report not directly derived from the financial statements, such as information on the market, quantities produced and marketed, production capacity and the calculation of EBITDA and adjusted EBITDA has not been reviewed by our external auditors.

We make statements about future events that are subject to risks and uncertainties. Such statements are based on the beliefs and assumptions of our Management and information to which the Company currently has access. Statements about future events include information about our current intentions, beliefs, or expectations, as well as those of the members of the Board of Directors and Officers of the Company. Disclaimers with respect to forward-looking statements and information also include information about possible or presumed results of operations, as well as statements that are preceded by, followed by, or include the words "believes," "may," "will," "continues," "expects," "anticipates," "intends," "plans," and forward-looking statements and information are not guarantees of performance. They involve risks, uncertainties, and assumptions because they refer to future events, depending, therefore, on circumstances that may or may not occur. Future results and the creation of value for shareholders may differ significantly from those expressed or suggested by the forward-looking statements. Many of the factors that will determine these results and values are beyond Metalfrio's ability to control or predict.



## Segment Breakdown

| 1Q24                    | Net Revenue |       |        | Net Revenue Share* |        | Gross Profit |      |        | Gross Margin |       |       |
|-------------------------|-------------|-------|--------|--------------------|--------|--------------|------|--------|--------------|-------|-------|
|                         | 2024        | 2023  | Δ%     | 2024               | 2023   | 2024         | 2023 | Δ%     | 2024         | 2023  | Δ%    |
| Consolidated            | 434.3       | 470.9 | -7.8%  | 100.0%             | 100.0% | 81.7         | 77.0 | 6.0%   | 18.8%        | 16.4% | 2.4%  |
| + Products              | 346.5       | 388.2 | -10.7% | 79.8%              | 82.4%  | 57.1         | 57.5 | -0.8%  | 16.5%        | 14.8% | 1.7%  |
| + Services              | 87.8        | 82.7  | 6.2%   | 20.2%              | 17.6%  | 24.6         | 19.5 | 26.1%  | 28.0%        | 23.6% | 4.4%  |
| South America           | 192.4       | 182.9 | 5.2%   | 44.3%              | 38.9%  | 42.9         | 39.2 | 9.4%   | 22.3%        | 21.4% | 0.9%  |
| + Products              | 129.0       | 130.0 | -0.7%  | 67.1%              | 71.0%  | 26.1         | 28.4 | -8.1%  | 20.2%        | 21.9% | -1.6% |
| + Services              | 63.4        | 53.0  | 19.6%  | 32.9%              | 29.0%  | 16.8         | 10.8 | 55.6%  | 26.5%        | 20.4% | 6.1%  |
| Central & North America | 86.9        | 69.8  | 24.5%  | 20.0%              | 14.8%  | 9.8          | 6.8  | 44.4%  | 11.3%        | 9.8%  | 1.6%  |
| + Products              | 80.9        | 60.5  | 33.7%  | 93.1%              | 86.7%  | 7.6          | 3.9  | 94.9%  | 9.3%         | 6.4%  | 2.9%  |
| + Services              | 6.0         | 9.3   | -35.6% | 6.9%               | 13.3%  | 2.3          | 2.9  | -22.6% | 37.9%        | 31.5% | 6.4%  |
| EMEA                    | 155.1       | 218.1 | -28.9% | 35.7%              | 46.3%  | 28.9         | 31.0 | -6.7%  | 18.7%        | 14.2% | 4.4%  |
| + Products              | 136.6       | 197.7 | -30.9% | 88.1%              | 90.6%  | 23.4         | 25.2 | -7.3%  | 17.1%        | 12.8% | 4.4%  |
| + Services              | 18.5        | 20.5  | -9.7%  | 11.9%              | 9.4%   | 5.5          | 5.8  | -4.3%  | 29.9%        | 28.3% | 1.7%  |

## INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE QUARTER

To the  
Shareholders, Board Members and Management of  
**Metalfrio Solutions S.A.**  
São Paulo - SP

### Introduction

We have reviewed the individual and consolidated interim financial information of **Metalfrio Solutions S.A. ("Company")**, included in the Quarterly Information for the quarter ended March 31, 2024, which comprises the statement of financial position as at March 31, 2024, and the respective statements of profit or loss, comprehensive income (loss), changes in equity, and cash flows for the quarter then ended, as well as the corresponding notes to the interim financial information, including material accounting policies and other explanatory information.

The Company's Management is responsible for the preparation of this individual and consolidated interim financial information in accordance with NBC TG 21 (R4) and with International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and for the presentation of this interim financial information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Information. Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of the review

We conducted our review in accordance with Brazilian and international standards for reviewing interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists principally of applying analytical and other review procedures and making enquiries of and having discussions with persons responsible for financial and accounting matters. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards and does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.

### Conclusion on the individual and consolidated interim financial information

Based on our review, we are not aware of any fact that would lead us to believe that the individual and consolidated interim financial information included in the Quarterly Information referred to above has not been prepared, in all material respects, in accordance with NBC TG 21 (R4) and IAS 34, applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

## Other matters

### Statement of value added

The accompanying quarterly information includes the individual and consolidated statements of value added for the three-month period ended March 31, 2024, prepared under the responsibility of the Company's Management and presented as supplementary information for the purposes of IAS 34. These statements were submitted to the same review procedures followed for the review of the quarterly information, for the purpose of concluding on whether they are reconciled with the interim financial information and accounting records, as applicable, and if their form and contents meet the criteria defined in NBC TG 09 - Statement of Value Added. Based on our review, we are not aware of any fact that would lead us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria established in this standard and consistently with the individual and consolidated interim financial information taken as a whole.

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

São Paulo, May 14, 2024.



**BDO RCS Auditores Independentes SS Ltda.**  
**CRC 2 SP 013846/O-1**

**Ricardo Vieira Rocha**  
**Accountant CRC 1 BA 026357/O-2 - S - SP**

METALFRIO SOLUTIONS S.A.

STATEMENTS OF FINANCIAL POSITION AS AT MARCH 31, 2024 AND DECEMBER 31, 2023  
(In thousands of Brazilian reais - R\$)

|                                    |       | Parent company - CPCs |            | Consolidated - IFRS |            |  |          | Parent company |            | Consolidated |            |
|------------------------------------|-------|-----------------------|------------|---------------------|------------|--|----------|----------------|------------|--------------|------------|
| ASSETS                             | Notes | 03/31/2024            | 12/31/2023 | 03/31/2024          | 12/31/2023 | LIABILITIES AND EQUITY                       | Notes    | 03/31/2024     | 12/31/2023 | 03/31/2024   | 12/31/2023 |
| CURRENT ASSETS                     |       |                       |            |                     |            | CURRENT LIABILITIES                          |          |                |            |              |            |
| Cash and cash equivalents          | 6     | 11,106                | 45,215     | 99,902              | 121,413    | Trade payables                               | 15       | 95,639         | 89,989     | 411,253      | 391,287    |
| Marketable securities              | 6.1   | 3,201                 | 3,777      | 61,906              | 55,271     | Payables to related parties                  | 11       | 4,420          | 4,793      | -            | -          |
| Trade receivables                  | 7     | 173,804               | 231,123    | 502,417             | 600,677    | Confirming                                   |          | -              | -          | -            | -          |
| Receivables from related parties   | 11    | 16,051                | 15,652     | 9,071               | 10,903     | Borrowings and debentures                    | 16       | 113,624        | 954,896    | 553,673      | 1,279,866  |
| Loans to related parties           | 11    | 13,213                | 12,774     | -                   | -          | Taxes payable                                | 17       | 10,082         | 10,703     | 34,334       | 30,734     |
| Inventories                        | 8     | 100,949               | 71,639     | 442,060             | 323,352    | Payroll and related charges                  |          | 13,127         | 12,832     | 37,173       | 35,567     |
| Taxes recoverable                  | 9     | 13,061                | 12,485     | 102,282             | 89,807     | Other provisions                             | 18       | 45,314         | 46,483     | 74,249       | 66,757     |
| Income tax and social contribution |       | 7,477                 | 7,818      | 10,676              | 10,906     | Lease liability                              | 19.b     | 6,487          | 6,495      | 12,961       | 13,142     |
| Receivables on derivatives         | 27    | -                     | -          | -                   | -          | Provision for negative equity in subsidiary  | 12       | 18,600         | 17,702     | -            | -          |
| Other receivables                  |       | 5,528                 | 6,473      | 39,690              | 35,060     | Payables on derivatives                      | 27       | -              | -          | -            | -          |
| Total current assets               |       | 344,390               | 406,956    | 1,268,004           | 1,247,389  | Other payables                               |          | 4,725          | 5,335      | 17,982       | 16,018     |
|                                    |       |                       |            |                     |            | Total current liabilities                    |          | 312,018        | 1,149,228  | 1,141,625    | 1,833,371  |
| NONCURRENT ASSETS                  |       |                       |            |                     |            | NONCURRENT LIABILITIES                       |          |                |            |              |            |
| Long-term receivables:             |       |                       |            |                     |            | Borrowings and debentures                    | 16       | 30,889         | -          | 180,321      | 218,516    |
| Loans to related parties           | 11    |                       |            |                     |            | Loans to related parties                     | 11       | 183,586        | 186,995    | -            | -          |
| Receivables from related parties   | 11    | 934                   | 905        | -                   | -          | Provision for risks                          | 20       | 13,338         | 14,287     | 14,248       | 15,101     |
| Marketable securities              | 6.1   | 4,749                 | 4,683      | 4,749               | 4,683      | Taxes payable                                | 17       | 5,491          | 5,730      | 5,536        | 5,792      |
| Deferred taxes                     | 10.a  | -                     | -          | 67,488              | 74,565     | Lease liability                              | 19.b     | 12,673         | 13,590     | 28,082       | 28,808     |
| Taxes recoverable                  | 9     | 552                   | 685        | 861                 | 1,012      | Other payables                               | 21       | 3,303          | 3,303      | 24,121       | 19,465     |
| Other receivables                  | 5     | -                     | -          | -                   | -          | Total noncurrent liabilities                 |          | 249,280        | 223,905    | 252,308      | 287,682    |
|                                    |       | 6,235                 | 6,273      | 73,098              | 80,260     |  |          |                |            |              |            |
| Investments                        | 12    | 476,675               | 469,766    | -                   | -          | EQUITY                                       |          |                |            |              |            |
| Property, plant and equipment      | 13    | 68,401                | 70,876     | 331,184             | 319,119    | Capital stock                                | 22.a     | 487,044        | 244,039    | 487,044      | 244,039    |
| Intangible assets                  | 14    | 5,112                 | 5,071      | 144,938             | 144,123    | Capital reserve                              | 22.b     | 45,648         | 4,904      | 45,648       | 4,904      |
| Total noncurrent assets            |       | 556,423               | 551,986    | 549,220             | 543,502    | Earnings reserve                             | 22.c/d/e | 1              | 1          | 1            | 1          |
|                                    |       |                       |            |                     |            | Equity valuation adjustments                 | 22.f     | (126,490)      | (134,342)  | (126,490)    | (134,342)  |
|                                    |       |                       |            |                     |            | Capital transactions between shareholders    | 22.g     | (69,265)       | (69,265)   | (69,265)     | (69,265)   |
|                                    |       |                       |            |                     |            | Accumulated losses                           | 23       | 2,577          | (459,528)  | 2,577        | (459,528)  |
|                                    |       |                       |            |                     |            | Equity attributable to owners of the Company |          | 339,515        | (414,191)  | 339,515      | (414,191)  |
|                                    |       |                       |            |                     |            |  |          |                |            |              |            |
|                                    |       |                       |            |                     |            | Noncontrolling interest                      |          | -              | -          | 83,776       | 84,029     |
|                                    |       |                       |            |                     |            | Total equity                                 |          | 339,515        | (414,191)  | 423,291      | (330,162)  |
| TOTAL ASSETS                       |       | 900,813               | 958,942    | 1,817,224           | 1,790,891  | TOTAL LIABILITIES AND EQUITY                 |          | 900,813        | 958,942    | 1,817,224    | 1,790,891  |

The accompanying notes are an integral part of these financial statements.

METALFRIO SOLUTIONS S.A.

STATEMENTS OF PROFIT OR LOSS  
FOR THE PERIOD ENDED MARCH 31, 2024 AND 2023  
(In thousands of Brazilian reais - R\$, except earnings per share)

|  |       | Parent company |            | Consolidated |            |
|--|-------|----------------|------------|--------------|------------|
|  | Notes | 03/31/2024     | 03/31/2023 | 03/31/2024   | 03/31/2023 |
| REVENUE  | 24    | 181,952        | 171,352    | 434,298      | 470,881    |
| Cost of sales and services                                   | 25.a  | (148,919)      | (139,201)  | (352,631)    | (393,847)  |
| GROSS PROFIT   |       | 33,033         | 32,151     | 81,667       | 77,034     |
| OPERATING INCOME (EXPENSES)                                  |       |                |            |              |            |
| Selling expenses   | 25.a  | (14,845)       | (15,700)   | (37,119)     | (45,244)   |
| General and administrative expenses                          | 25.a  | (12,023)       | (10,007)   | (27,855)     | (25,237)   |
| Other operating income                                       | 25.b  | 10,402         | 11,175     | 12,484       | 16,803     |
| Other operating expenses                                     | 25.c  | (294)          | (58)       | (761)        | (91)       |
| Share of profit (loss) of subsidiaries                       | 12    | (2,167)        | 1,816      | -            | -          |
| PROFIT (LOSS) BEFORE FINANCIAL INCOME (COSTS), NET AND TAXES |       | 14,106         | 19,377     | 28,416       | 23,265     |
| FINANCIAL INCOME (COSTS), NET                                | 26    | (11,529)       | (45,762)   | (16,890)     | (52,725)   |
| Financial costs  |       | (11,416)       | (47,194)   | (31,057)     | (60,945)   |
| Financial income   |       | 963            | 721        | 9,035        | 10,207     |
| Net exchange variation                                       |       | (1,076)        | 711        | 5,132        | (1,987)    |
| PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION      |       | 2,577          | (26,385)   | 11,526       | (29,460)   |
| INCOME TAX AND SOCIAL CONTRIBUTION                           | 10.b  |                |            |              |            |
| Current  |       | -              | -          | (1,744)      | (1,487)    |
| Deferred   |       | -              | -          | (8,708)      | 3,314      |
| PROFIT (LOSS) FOR THE PERIOD                                 |       | 2,577          | (26,385)   | 1,074        | (27,633)   |
| PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY          |       |                |            | 2,577        | (26,385)   |
| PROFIT (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTEREST        |       |                |            | (1,503)      | (1,248)    |
| BASIC PROFIT (LOSS) PER SHARE - R\$                          | 24    | 0.4635         | (6.4248)   | 0.4635       | (6.4248)   |
| DILUTED PROFIT (LOSS) PER SHARE - R\$                        | 24    | 0.4556         | (6.4248)   | 0.4556       | (6.4248)   |

The accompanying notes are an integral part of these financial statements

METALFRIO SOLUTIONS S.A.

STATEMENTS OF COMPREHENSIVE INCOME (LOSS)  
FOR THE PERIOD ENDED MARCH 31, 2024 AND 2023  
(In thousands of Brazilian reais - R\$)

|   | Parent company    |                   | Consolidated      |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | <u>03/31/2024</u> | <u>03/31/2023</u> | <u>03/31/2024</u> | <u>03/31/2023</u> |
| PROFIT (LOSS) FOR THE PERIOD  | 2,577             | (26,385)          | 1,074             | (27,633)          |
| OTHER COMPREHENSIVE INCOME  |                   |                   |                   |                   |
| <i>Item that will not be subsequently reclassified to the result:</i> |                   |                   |                   |                   |
| Actuarial gain/(loss)   | 316               | 1,141             | 459               | 1,659             |
|   | <u>316</u>        | <u>1,141</u>      | <u>459</u>        | <u>1,659</u>      |
| <i>Item that will be subsequently reclassified to the result:</i>     |                   |                   |                   |                   |
| Cumulative translation adjustments                                    | 7,536             | 4,557             | 8,643             | 3,337             |
|   | <u>7,536</u>      | <u>4,557</u>      | <u>8,643</u>      | <u>3,337</u>      |
| TOTAL COMPREHENSIVE INCOME  | <u>7,852</u>      | <u>5,698</u>      | <u>9,102</u>      | <u>4,996</u>      |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR                               | <u>10,429</u>     | <u>(20,687)</u>   | <u>10,176</u>     | <u>(22,637)</u>   |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO:                                 |                   |                   |                   |                   |
| Owners of the Company   | 10,429            | (20,687)          | 10,429            | (20,687)          |
| Noncontrolling interest   | -                 | -                 | (253)             | (1,950)           |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD                             | <u>10,429</u>     | <u>(20,687)</u>   | <u>10,176</u>     | <u>(22,637)</u>   |

The accompanying notes are an integral part of these financial statements.

METALFRIO SOLUTIONS S.A.

STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED MARCH 31, 2024 AND 2023  
(In thousands of Brazilian reais - R\$)

|   |             | Consolidated   |                 |                       |                     |                       |                      |                      |                       |                         |                  |
|---|-------------|----------------|-----------------|-----------------------|---------------------|-----------------------|----------------------|----------------------|-----------------------|-------------------------|------------------|
|   |             |                | Capital reserve |                       | Earnings reserve    | Equity                | Capital transactions |                      | Attributable to       |                         |                  |
|   | Note        | Share capital  | Capital reserve | Stock options reserve | Revaluation reserve | valuation adjustments | between shareholders | (Accumulated losses) | owners of the Company | Noncontrolling interest | Total equity     |
| BALANCES AT JANUARY 1, 2023                       |             | <u>244,039</u> | <u>547</u>      | <u>2,666</u>          | <u>6</u>            | <u>(133,793)</u>      | <u>(69,265)</u>      | <u>(451,405)</u>     | <u>(407,205)</u>      | <u>73,005</u>           | <u>(334,200)</u> |
| Profit (loss) for the period                      |             | -              | -               | -                     | -                   | -                     | -                    | -                    | (26,385)              | (1,248)                 | (27,633)         |
| Realization of reserves:                          |             |                |                 |                       |                     |                       |                      |                      |                       |                         |                  |
| Realization of revaluation reserve net of taxes   | 13 and 22.e | -              | -               | -                     | (1)                 | -                     | -                    | 1                    | -                     | -                       | -                |
| Other comprehensive income:                       | 22.f        |                |                 |                       |                     |                       |                      |                      |                       |                         |                  |
| Exchange differences on investments abroad        | 12          | -              | -               | -                     | -                   | 4,557                 | -                    | -                    | 4,557                 | (1,220)                 | 3,337            |
| Actuarial gain (loss)                             | 12          | -              | -               | -                     | -                   | 1,141                 | -                    | -                    | 1,141                 | 518                     | 1,659            |
| BALANCES AT MARCH 31, 2023                        |             | <u>244,039</u> | <u>547</u>      | <u>2,666</u>          | <u>5</u>            | <u>(128,095)</u>      | <u>(69,265)</u>      | <u>(451,404)</u>     | <u>(427,892)</u>      | <u>71,055</u>           | <u>(356,837)</u> |
| BALANCES AT JANUARY 1, 2024                       |             | <u>244,039</u> | <u>547</u>      | <u>4,357</u>          | <u>1</u>            | <u>(134,342)</u>      | <u>(69,265)</u>      | <u>(459,528)</u>     | <u>(414,191)</u>      | <u>84,029</u>           | <u>(330,162)</u> |
| Profit (loss) for the period                      |             | -              | -               | -                     | -                   | -                     | -                    | 2,577                | 2,577                 | (1,503)                 | 1,074            |
| Increase in Capital - 02/19/2024                  | 20.a        | 243,005        | 500,000         | -                     | -                   | -                     | -                    | -                    | 743,005               | -                       | 743,005          |
| Absorption of the accumulated losses - 03/31/2024 |             | -              | (459,528)       | -                     | -                   | -                     | -                    | 459,528              | -                     | -                       | -                |
| Realization of reserves:                          |             |                |                 |                       |                     |                       |                      |                      |                       |                         |                  |
| Realization of revaluation reserve net of taxes   | 13 and 23.e | -              | -               | -                     | -                   | -                     | -                    | -                    | -                     | -                       | -                |
| Capital reserve - Stock options                   |             | -              | -               | 272                   | -                   | -                     | -                    | -                    | 272                   | -                       | 272              |
| Other comprehensive income:                       | 23.f        |                |                 |                       |                     |                       |                      |                      |                       |                         |                  |
| Exchange differences on investments abroad        | 12          | -              | -               | -                     | -                   | 7,536                 | -                    | -                    | 7,536                 | 1,107                   | 8,643            |
| Actuarial gain (loss)                             | 12          | -              | -               | -                     | -                   | 316                   | -                    | -                    | 316                   | 143                     | 459              |
| BALANCES AT MARCH 31, 2024                        |             | <u>487,044</u> | <u>41,019</u>   | <u>4,629</u>          | <u>1</u>            | <u>(126,490)</u>      | <u>(69,265)</u>      | <u>2,577</u>         | <u>339,515</u>        | <u>83,776</u>           | <u>423,291</u>   |

The accompanying notes are an integral part of these financial statements.

METALFRIO SOLUTIONS S.A

STATEMENTS OF CASH FLOWS  
FOR THE PERIOD ENDED MARCH 31, 2024 AND 2023  
(In thousands of Brazilian reais - R\$)

|  |         | Parent company  |                 | Consolidated    |                  |
|--|---------|-----------------|-----------------|-----------------|------------------|
|  | Notes   | 03/31/2024      | 03/31/2023      | 03/31/2024      | 03/31/2023       |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |         |                 |                 |                 |                  |
| Profit (Loss) for the period   |         | 2,577           | (26,385)        | 1,074           | (27,633)         |
| Reconciliation of loss for the year to net cash generated by (used in) operating activities: |         |                 |                 |                 |                  |
| Depreciation and amortization  | 13 / 14 | 4,919           | 4,991           | 15,905          | 12,142           |
| Provision for risks  | 20      | 587             | 450             | 916             | 450              |
| Other provisions   | 18      | 2,055           | 9,456           | 9,398           | 11,857           |
| Constitution / (reversal) to expected credit losses  | 7       | 884             | 600             | 2,030           | 806              |
| Provision - actuarial liabilities  | 21      | -               | -               | 6,171           | 10,270           |
| Exchange differences   |         | (121)           | 547             | (3,382)         | (6,081)          |
| Interest on borrowings / leases  | 16/19.b | (1,113)         | 31,618          | 7,476           | 38,508           |
| Residual value of fixed and intangible assets disposed of                                    | 13 / 14 | -               | 1               | 639             | 2,530            |
| Write-off of investments   | 12/14   | -               | 3,192           | -               | 4,922            |
|  |         | 272             | -               | 272             | -                |
| Share of profit (loss) of subsidiaries   | 12      | 2,167           | (1,816)         | -               | -                |
| Deferred income tax and social contribution  | 10.b    | -               | -               | 8,708           | (3,314)          |
|  |         | <u>12,227</u>   | <u>22,654</u>   | <u>49,207</u>   | <u>44,457</u>    |
| (Increase) decrease in assets:   |         |                 |                 |                 |                  |
| Current:   |         |                 |                 |                 |                  |
| Trade receivables  | 7       | 56,792          | 29,407          | 102,190         | (85,364)         |
| Inventories  | 8       | (29,310)        | (20,943)        | (113,060)       | (1,261)          |
| Taxes recoverable  | 9       | (235)           | 2,670           | (9,636)         | (21,359)         |
| Receivables from related parties   | 11      | (427)           | 2,543           | 2,201           | (15,856)         |
| Other receivables  |         | 945             | (2,549)         | (4,090)         | (10,898)         |
| Noncurrent:  |         |                 |                 |                 |                  |
| Taxes recoverable  | 9       | 132             | (40)            | 153             | (17)             |
|  |         | <u>27,897</u>   | <u>11,088</u>   | <u>(22,242)</u> | <u>(134,755)</u> |
| Increase (decrease) in liabilities:  |         |                 |                 |                 |                  |
| Current:   |         |                 |                 |                 |                  |
| Trade payables   | 15      | 5,534           | 8,177           | 16,290          | 65,009           |
| Confirming   |         | -               | (1,923)         | -               | (1,923)          |
| Taxes payable  | 17      | (622)           | (5,275)         | 4,186           | 8,932            |
| Payroll and related charges  |         | 295             | 422             | 1,281           | 6,776            |
| Payables to related parties  | 11      | (373)           | (294)           | (277)           | (389)            |
| Other payables   |         | (611)           | (6,623)         | 1,904           | (8,142)          |
| Payments of provision for risks  | 20      | (1,536)         | (903)           | (1,777)         | (945)            |
| Payments of other provisions   | 18      | (3,224)         | (14,566)        | (2,752)         | (15,047)         |
| Noncurrent:  |         |                 |                 |                 |                  |
| Taxes payable  | 17      | (239)           | 4,360           | (256)           | 4,343            |
| Other payables   | 21      | -               | -               | (1,540)         | (9,397)          |
|  |         | <u>(776)</u>    | <u>(16,625)</u> | <u>17,059</u>   | <u>49,217</u>    |
| Other cash flows from operating activities:  |         |                 |                 |                 |                  |
| Payments of income tax and social contribution   |         | -               | -               | (754)           | (539)            |
|  |         | <u>-</u>        | <u>-</u>        | <u>(754)</u>    | <u>(539)</u>     |
| Net cash (used in) generated by operating activities   |         | <u>39,348</u>   | <u>17,117</u>   | <u>43,270</u>   | <u>(41,620)</u>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |         |                 |                 |                 |                  |
| Additions to property, plant and equipment   | 13      | (1,613)         | (1,593)         | (23,601)        | (11,468)         |
| Additions to intangible assets   | 14      | (392)           | (145)           | (755)           | (6,936)          |
| Capital increase in subsidiaries   | 12      | (326)           | (19,682)        | -               | -                |
| Marketable securities  | 6.1     | 510             | 81              | (6,229)         | (4,881)          |
| Loans to related parties   | 11      | (439)           | 328             | -               | -                |
| Net cash used in (generated by) investing activities   |         | <u>(2,260)</u>  | <u>(21,011)</u> | <u>(30,585)</u> | <u>(23,285)</u>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |         |                 |                 |                 |                  |
| New borrowings and debentures  | 16      | 80,497          | 112,941         | 226,167         | 255,406          |
| Payment of principal from borrowings and debentures  | 16      | (142,095)       | (147,955)       | (249,922)       | (232,315)        |
| Payment of interest from borrowings and debentures   | 16      | (4,235)         | (233)           | (10,668)        | (8,912)          |
| Loans to related parties   | 11      | (3,408)         | 577             | -               | -                |
| Increase in capital  |         | 5               | -               | 5               | -                |
| Payments of lease liability  | 19.b    | (1,405)         | (1,795)         | (1,862)         | (2,841)          |
| Payments of interest from lease liability  | 19.b    | (556)           | (500)           | (1,086)         | (802)            |
| Payment / Receipt of derivatives   | 27      | -               | -               | -               | (13,464)         |
| Net cash (used in) generated by financing activities   |         | <u>(71,197)</u> | <u>(36,965)</u> | <u>(37,366)</u> | <u>(2,928)</u>   |
| CHANGES IN CASH AN CASH EQUIVALENTS  |         | <u>(34,109)</u> | <u>(40,859)</u> | <u>(24,681)</u> | <u>(67,833)</u>  |
| <b>CASH AND CASH EQUIVALENTS</b>   |         |                 |                 |                 |                  |
| At the end of the period   | 6       | 11,106          | 4,511           | 99,902          | 46,203           |
| Effects of exchange rate change on cash and cash equivalents                                 |         | -               | 134             | 3,170           | 679              |
| At the beginning of the period   | 6       | 45,215          | 45,236          | 121,413         | 113,357          |
| DECREASE IN CASH AN CASH EQUIVALENTS   |         | <u>(34,109)</u> | <u>(40,859)</u> | <u>(24,681)</u> | <u>(67,833)</u>  |

The accompanying notes are an integral part of these financial statements.



METALFRIO SOLUTIONS S.A

STATEMENTS OF VALUE ADDED  
FOR THE PERIOD ENDED MARCH 31, 2024 AND 2023  
(In thousands of Brazilian reais - R\$)

|  |         | Parent company   |                  | Consolidated     |                  |
|--|---------|------------------|------------------|------------------|------------------|
|  | Notes   | 03/31/2024       | 03/31/2023       | 03/31/2024       | 03/31/2023       |
| REVENUES   |         |                  |                  |                  |                  |
| Sales of goods and services (net of returns)           | 24      | 224,994          | 209,694          | 489,950          | 550,987          |
| Constitution / reversal to expected credit losses      | 7       | (884)            | (600)            | (2,030)          | (806)            |
|  |         | <u>224,110</u>   | <u>209,094</u>   | <u>487,920</u>   | <u>550,181</u>   |
| INPUTS PURCHASED FROM THIRD PARTIES                    |         |                  |                  |                  |                  |
| Cost of sales and services                             |         | (184,171)        | (172,509)        | (375,832)        | (415,780)        |
| Materials, electric power, outside services and others |         | (24,729)         | (23,699)         | (36,933)         | (52,615)         |
| Asset recovery loss                                    |         | -                | -                | -                | -                |
|  |         | <u>(208,900)</u> | <u>(196,208)</u> | <u>(412,765)</u> | <u>(468,395)</u> |
| GROSS VALUE ADDED                                      |         | <u>15,210</u>    | <u>12,886</u>    | <u>75,155</u>    | <u>81,786</u>    |
| DEPRECIATION AND AMORTIZATION                          | 13 / 14 | (4,919)          | (4,991)          | (15,905)         | (12,142)         |
| NET VALUE ADDED GENERATED BY THE COMPANY               |         | 10,291           | 7,895            | 59,250           | 69,644           |
| VALUE ADDED RECEIVED THROUGH TRANSFER                  |         |                  |                  |                  |                  |
| Share of profit (loss) of subsidiaries                 | 12      | (2,167)          | 1,816            | -                | -                |
| Financial income                                       | 26      | 963              | 1,432            | 14,167           | 10,207           |
|  |         | <u>(1,204)</u>   | <u>3,248</u>     | <u>14,167</u>    | <u>10,207</u>    |
| TOTAL VALUE ADDED TO BE DISTRIBUTED                    |         | <u>9,087</u>     | <u>11,143</u>    | <u>73,417</u>    | <u>79,851</u>    |
| DISTRIBUTION OF VALUE ADDED                            |         |                  |                  |                  |                  |
| Personnel:   |         |                  |                  |                  |                  |
| Salaries   |         | 20,295           | 17,814           | 64,401           | 59,239           |
| Benefits   |         | 4,361            | 3,791            | 24,582           | 23,120           |
| FGTS (Severance Pay Fund)                              |         | 1,308            | 1,175            | 1,395            | 1,080            |
| Taxes and contributions:                               |         |                  |                  |                  |                  |
| Federal  |         | (28,443)         | (28,671)         | (45,432)         | (35,567)         |
| State  |         | (5,719)          | (5,859)          | (6,277)          | (6,366)          |
| Municipal  |         | 1,312            | 1,222            | 1,058            | 1,024            |
| Lenders and lessors:                                   |         |                  |                  |                  |                  |
| Interest   | 26      | 12,492           | 47,194           | 31,057           | 62,932           |
| Rentals  |         | 904              | 862              | 1,559            | 2,022            |
| Shareholders:  |         |                  |                  |                  |                  |
| Retained earnings (Accumulated losses)                 | 23      | 2,577            | (26,385)         | 2,577            | (26,385)         |
| Noncontrolling interest in retained earnings           |         | -                | -                | (1,503)          | (1,248)          |
|  |         | <u>9,087</u>     | <u>11,143</u>    | <u>73,417</u>    | <u>79,851</u>    |

The accompanying notes are an integral part of these financial statements.

# Metalfrio Solutions S.A.

## Notes to the interim financial information

### Quarter ended March 31, 2024

(In thousands of Reais - R\$, except when otherwise stated)

## 1 Operations

Metalfrio Solutions S.A. ("Company") was incorporated on December 3, 2001, and is engaged in the manufacture, import and sale of domestic and commercial refrigerators and freezers, in Brazil and abroad.

The Company's shares are listed on B3 S.A. Brasil, Bolsa, Balcão (São Paulo Stock Exchange), "Novo Mercado" section under the ticker "FRIO3". The Company has investments in subsidiaries, among them Klimasan, which has its shares listed on the Istanbul Stock Exchange under the ticker "KLMSN".

Currently the Company has four industrial plants, one located in Brazil (Mato Grosso do Sul), one in Turkey (Manisa), one in Russia (Kaliningrad) and one in Mexico (Celaya), four commercial centers located in Poland, Nigeria, Ukraine and the United States of America, and three service offices located in Brazil, Bolivia and Argentina.

The table below summarizes the current structure of the Company's industrial units:

| City             | Country | Refrigerators produced           | Consumer market                              |
|------------------|---------|----------------------------------|--|
| Três Lagoas - MS | Brazil  | Horizontal, vertical and special | Brazil and the Americas                      |
| Kaliningrad      | Russia  | Horizontal                       | Russia                                       |
| Manisa           | Turkey  | Horizontal, vertical and special | Turkey, Europe, Middle East, Asia and Africa |
| Celaya           | Mexico  | Horizontal, vertical and special | Mexico and the Americas                      |

## 2 Basis for preparation of the interim financial information

### 2.1 Statement of compliance (with IFRS and standards of the Committee of Accounting Pronouncements - CPC)

This individual and consolidated interim financial information has been prepared and is presented in accordance with International Accounting Standards (IAS) – IAS 34/CPC 21 (R1) issued respectively by the International Accounting Standards Board (IASB) and the Brazilian Accounting Pronouncements Committee (CPCs), which address interim reporting, and with the instructions issued by the Brazilian Securities and Exchange Commission of Brazil (CVM).

Management states that the interim financial information has been prepared based on the Company's ability to continue as a going concern, and all material information specific to the interim financial

information, and only such information, is being evidenced and is consistent with the information used by Management in its activities.

The issue of the individual and consolidated interim financial information was authorized by the Company's Board of Directors on May 14, 2024.

## ***2.2 Basis of measurement***

The individual and consolidated interim financial information has been prepared on the historical cost basis, except for certain material items recognized in the statement of financial position as follows:

- derivative financial instruments measured at fair value;
- other financial instruments measured at fair value through profit or loss, in which category the Company has financial investments and marketable securities.

## ***2.3 Functional and presentation currency***

This individual and consolidated interim financial information is presented in Reais, which is the Company's functional currency, and translation adjustments are recognized in the statement of comprehensive income, in line item "Equity valuation adjustments". All financial information presented in Reais has been rounded to the nearest thousand, unless otherwise indicated.

The interim financial information of each subsidiary included in the consolidated interim financial information is prepared based on each entity's functional currency. The functional currency of an entity is the currency of the primary economic environment in which it operates. The Company defines the functional currency of each of its subsidiaries by analyzing which currency significantly influences the price of its products and services and the currency in which most of its operating and administrative costs are paid or incurred, as shown in note 4.

## ***2.4 Use of estimates and judgments***

The preparation of individual and consolidated interim financial information in conformity with IFRS and CPC standards requires that the Management of the Company and its subsidiaries makes judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The information on assumptions and judgments that have a significant risk of resulting in a material adjustment within the next financial year is included in the following notes:

- Note 4 – Change of the functional currency of an investee in Turkey;
- Note 7 – Allowance for expected credit losses on trade receivables, key assumptions for determination of the weighted average loss rate;
- Note 8 – Provision for inventory losses, key assumptions for obsolete or slow-moving

inventories;

- Note 10 – Deferred taxes, estimate of availability of future taxable profit against which deductible temporary differences and tax losses can be used;
- Note 13 – Review of useful life of property, plant and equipment;
- Note 14 – Amortization of intangible assets and impairment testing of goodwill, key assumptions about the recoverable amounts;
- Notes 19 and 21 – Other provisions and provision for risks, key assumptions about the likelihood and magnitude of cash outflows;
- Note 20 – Leases, estimates of discount rates;
- Note 22 – Other payables – noncurrent (Actuarial liabilities), key actuarial assumptions;
- Note 28 – Financial instruments, estimates for fair value measurement of derivatives.

## ***2.5 Going concern***

A new factor that brought more instability to the global scenario in early 2022 was the conflict between Russia and Ukraine, which further contributed to the rise in inflation. Although Ukraine is not a representative customer base for the Company (it represented 1.8% of sales in 2021), the Company saw a reduction in volumes exported to this country due to the conflict scenario. On the other hand, Russia (2.2% of sales) presented in 2022 a net loss when compared to 2021 (2.3% of sales) resulting from a reduction in volume due to this scenario of exchange blockades and volatility. However, in 2023 it had an insignificant increase (2.4% of sales). Despite the recovery of the value of the Ruble in relation to the Euro so far (to a level higher than at the beginning of the conflict), the Company continues to see developments in this conflict cautiously. No provision has been made for possible impairment that may be necessary in the future in the event of a worsening of the situation.

Another adverse factor from an inflation environment was the global increase in interest rates in financing transactions. The higher interest rates everywhere the Company operates was the main factor in the increase in interest expenses. As at December 31, 2023, the Parent company had overdue debt installments, therefore, all the Parent company's financing operations were classified as short-term. With the private capital increase described below, these overdue transactions were used in the subscription and payment of new shares, reverting the Company's position for 2023.

Consolidated Net Working Capital as at March 31, 2024 was positive by R\$126,379 (negative by R\$585,982 as at December 31, 2023); parent company: positive by R\$32,372 (negative by R\$742,272 as at December 31, 2023). Since 2021, the Company sought to address short-term liquidity, conducting negotiations with the main financial creditors to extend financing terms. As a result of these negotiations, the Company conducted a private capital increase, aiming to provide a more balanced capital structure, improve results and the value of the shares issued by the Company, which started in December 2023 and was approved on February 19, 2024.

Management concluded, based on the information presented and the current stage of the negotiations with creditors, that there is no significant uncertainty as to the Company's ability to continue as a going concern in the foreseeable future. Therefore, the financial statements of the Company and its subsidiaries have been prepared on a going concern basis.

### 3 Material accounting policies

This interim financial information has been prepared consistently with the accounting practices and policies and the main accounting judgments adopted and disclosed in the notes to the financial statements as at December 31, 2023, disclosed on March 21, 2024, and should be in conjunction with these statements.

### 4 Consolidated interim financial information

The consolidated interim financial information as at March 31, 2024 and December 31, 2023 has been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and standards issued by the Brazilian Securities and Exchange Commission (CVM) and the Brazilian Committee of Accounting Pronouncements (CPC), comprising the interim financial information of the parent company and its subsidiaries listed below:

|  |                            | Ownership interest - % |            |
|--|----------------------------|------------------------|------------|
|  |                            | 03/31/2024             | 12/31/2023 |
| <b>Direct ownership</b>  | <b>Functional currency</b> |                        |            |
| Metalfrío Solutions Sogutma Sanayi ve Ticaret Anonim Sirket (“Metalfrío - Turkey”) | Euro - EUR                 | 100.00                 | 100.00     |
| Metalfrío Solutions A.S. (“Metalfrío - Denmark”)                                   | Danish Krone - DKK         | 100.00                 | 100.00     |
| Metalfrío Solutions Inc. (“Metalfrío - USA”)                                       | US Dollar - USD            | 100.00                 | 100.00     |
| Metalfrío Solutions México S.A. de C.V. (“Metalfrío - Mexico”)                     | Mexican Peso - MXN         | 100.00                 | 100.00     |
| Rome Investment Management Ltd. (“Rome”)   | Real - BRL                 | 100.00                 | 100.00     |
| Begur Transportes Rodoviários, Logística e Serviços S.A. (“Begur”)                 | Real - BRL                 | 80.00                  | 80.00      |
| Metalfrío Solutions Bolivia S.R.L. (“Metalfrío - Bolivia”)                         | Boliviano - BOB            | 100.00                 | 100.00     |
| Metalfrío Solutions S.A. (“Metalfrío - Argentina”)                                 | Argentine Peso - ARS       | 100.00                 | 100.00     |
| <b>Indirect ownership</b>  | <b>Functional currency</b> |                        |            |
| LLC “Estate” (d)   | Russian Ruble - RUB        | 68.75                  | 68.75      |
| LLC “Metalfrío Solutions” (d)  | Russian Ruble - RUB        | 68.75                  | 68.75      |
| Metalfrío Servicios S.A. de C.V. (“Metalfrío Servicios”) (a)                       | Mexican Peso - MXN         | 100.00                 | 100.00     |
| Klimasan Klima Sanayi ve Ticaret (“Klimasan”) (b)                                  | Euro - EUR                 | 68.75                  | 68.75      |
| Klimasan Ukraine LLC (“Klimasan Ukraine”) (b)                                      | Euro - EUR                 | 100.00                 | 100.00     |
| Metalfrío Solutions Poland SP.Z.O.O (“Metalfrío - Polony”) (c)                     | Euro - EUR                 | 68.75                  | 68.75      |
| Metalfrío West Africa Ltd (“Metalfrío - Nigeria”) (c)                              | Nigerian Naira - NGN       | 66.69                  | 66.69      |
| Sabcool Ltd (“Sabcool”) (d)  | Nigerian Naira - NGN       | 60.02                  | 60.02      |
| 3L Locações e Serviços S.A. (“3L”) (e)   | Real - BRL                 | 80.00                  | 80.00      |
| Klimasan North America, LLC (“Klimasan - N.A.”) (c)                                | US Dollar - USD            | 68.75                  | 68.75      |

(a) Subsidiary of Metalfrío - Mexico;

(b) Subsidiary of Metalfrío - Turkey;

(c) Subsidiary of Klimasan;

(d) Subsidiary of Metalfrío - Nigeria;

(e) Subsidiary of Begur.

The subsidiary Metalfrío - Argentina is a branch of the Company and is considered an extension of the Company’s operations, for which reason the accounting balances and transactions of this branch are summarized as part of the Company’s interim financial information.

## 5 Operating segments

Segment reporting is being presented in accordance with CPC 22 - Segment Reporting (IFRS 8) in relation to the businesses of the Company and its subsidiaries, which were identified based on their management structure and on internal managerial information used by the Company's chief decision-makers.

A segment is an identifiable component of the Company, designed for manufacture of products or rendering of services, or for the supply of products and services in a particular economic environment, which is subject to risks and remunerations that are different from those of other segments.

The segments used for decision-making and internal management by the Company and its subsidiaries are products and services. The chief operating decision-maker, responsible for allocating resources and assessing performance of the operating segments, is the Company's Executive Board. The Company understands that the service segment is useful for users of the interim financial information, in addition to the fact that the Company manages its business based on the breakdown presented, i.e. on the product and service segments. The product segment comprises the manufacture and sale of domestic and commercial refrigerators and freezers, and the service segment comprises maintenance and technical assistance for products sold by both the Company and third parties, as well as the sale of spare parts, logistic services rendered by the subsidiary Begur, and lease of related goods and services rendered by subsidiary 3L.

### Statement of profit or loss by segment

|   | Consolidated |          |           |            |          |           |
|---|--------------|----------|-----------|------------|----------|-----------|
|   | 03/31/2024   |          |           | 03/31/2023 |          |           |
|   | Goods        | Services | Total     | Goods      | Services | Total     |
| Net operating revenue   | 346,478      | 87,820   | 434,298   | 388,151    | 82,730   | 470,881   |
| Cost of sales and services  | (289,389)    | (63,242) | (352,631) | (330,608)  | (63,239) | (393,847) |
| Gross profit  | 57,089       | 24,578   | 81,667    | 57,543     | 19,491   | 77,034    |
| Operating expenses  | (48,020)     | (5,231)  | (53,251)  | (49,560)   | (4,209)  | (53,769)  |
| Operating profit before financial income (expenses)               | 9,069        | 19,347   | 28,416    | 7,983      | 15,282   | 23,265    |
| Financial income (expenses), net                                  | (15,801)     | (1,089)  | (16,890)  | (50,911)   | (1,813)  | (52,725)  |
| Operating profit (loss) before income tax and social contribution | (6,732)      | 18,258   | 11,526    | (42,928)   | 13,468   | (29,460)  |
| Income tax and social contribution                                | (9,763)      | (689)    | (10,452)  | 2,384      | (557)    | 1,827     |
| Profit (loss) for the period                                      | (16,495)     | 17,569   | 1,074     | (40,544)   | 12,911   | (27,633)  |
| Profit (loss) attributable to owners of the Company               | (13,636)     | 16,213   | 2,577     | (38,217)   | 11,832   | (26,385)  |
| Profit (loss) attributable to non-controlling interest            | (2,859)      | 1,356    | (1,503)   | (2,327)    | 1,079    | (1,248)   |

**Statement of financial position by segment**

|                               | Consolidated     |                |                  |                  |                |                  |
|-------------------------------|------------------|----------------|------------------|------------------|----------------|------------------|
|                               | 03/31/2024       |                |                  | 12/31/2023       |                |                  |
|                               | Goods            | Services       | Total            | Goods            | Services       | Total            |
| <b>ASSETS</b>                 |                  |                |                  |                  |                |                  |
| Current                       | 1,162,901        | 105,103        | 1,268,004        | 1,144,708        | 102,681        | 1,247,389        |
| Other noncurrent assets       | 73,098           | -              | 73,098           | 80,260           | -              | 80,260           |
| Property, plant and equipment | 231,688          | 99,496         | 331,184          | 225,174          | 93,945         | 319,119          |
| Intangible assets             | 144,866          | 72             | 144,938          | 144,041          | 82             | 144,123          |
|                               | <u>1,612,553</u> | <u>204,671</u> | <u>1,817,224</u> | <u>1,594,183</u> | <u>196,708</u> | <u>1,790,891</u> |
| <b>LIABILITIES</b>            |                  |                |                  |                  |                |                  |
| Current                       | 1,112,775        | 28,850         | 1,141,625        | 1,807,344        | 26,027         | 1,833,371        |
| Noncurrent                    | 243,065          | 9,243          | 252,308          | 276,692          | 10,991         | 287,683          |
|                               | <u>1,355,840</u> | <u>38,093</u>  | <u>1,393,933</u> | <u>2,084,036</u> | <u>37,018</u>  | <u>2,121,054</u> |

The table below shows the breakdown of consolidated net revenue and percentage of total net revenue, considering the country of origin of the Company's and its subsidiaries' customers:

| Country      | 03/31/2024     | %             | 03/31/2023     | %             |
|--------------|----------------|---------------|----------------|---------------|
| Brazil (*)   | 188,029        | 43.3%         | 168,931        | 35.9%         |
| Mexico       | 55,409         | 12.8%         | 38,573         | 8.2%          |
| Turkey       | 41,390         | 9.5%          | 66,954         | 14.2%         |
| USA          | 30,861         | 7.1%          | 34,776         | 7.4%          |
| Morocco      | 14,506         | 3.3%          | 14,868         | 3.2%          |
| Spain        | 12,658         | 2.9%          | 1,681          | 0.4%          |
| Russia (***) | 11,391         | 2.6%          | 19,132         | 4.1%          |
| Kenya        | 10,216         | 2.4%          | 4,426          | 0.9%          |
| Italy        | 5,112          | 1.2%          | 7,270          | 1.5%          |
| Georgia      | 4,826          | 1.1%          | 3,462          | 0.7%          |
| Germany      | 4,681          | 1.1%          | 4,296          | 0.9%          |
| Israel       | 3,929          | 0.9%          | 7,178          | 1.5%          |
| Denmark      | 2,932          | 0.7%          | 5,992          | 1.3%          |
| Paraguay     | 621            | 0.1%          | 7,627          | 1.6%          |
| Algeria      | -              | 0.0%          | 11,575         | 2.5%          |
| Uzbekistan   | -              | 0.0%          | 28,094         | 6.0%          |
| Others (**)  | 47,737         | 11.0%         | 46,046         | 9.8%          |
| Total        | <u>434,298</u> | <u>100.0%</u> | <u>470,881</u> | <u>100.0%</u> |

(\*) Country where the Company's head office is located

(\*\*) Less representative countries were added together

(\*\*\*) The scenario of conflict between Russia and Ukraine may have a future impact on the volume of operations in these countries.

The table below shows the breakdown of the consolidated noncurrent assets, except for deferred taxes and financial assets, located in the following countries:

|              | 03/31/2024        |                               |                   | 12/31/2023        |                               |                   |
|--------------|-------------------|-------------------------------|-------------------|-------------------|-------------------------------|-------------------|
|              | Taxes recoverable | Property, plant and equipment | Intangible assets | Taxes recoverable | Property, plant and equipment | Intangible assets |
| Brazil (*)   | 552               | 167,897                       | 6,821             | 685               | 164,822                       | 6,788             |
| Turkey       | 309               | 92,408                        | 137,978           | 327               | 85,526                        | 137,085           |
| Mexico       | -                 | 59,183                        | 139               | -                 | 56,624                        | 249               |
| Russia (**)  | -                 | 11,696                        | -                 | -                 | 12,147                        | -                 |
| Others       | -                 | -                             | -                 | -                 | -                             | 1                 |
| <b>Total</b> | <b>861</b>        | <b>331,184</b>                | <b>144,938</b>    | <b>1,012</b>      | <b>319,119</b>                | <b>144,123</b>    |

(\*) Country where the Company's head office is located

(\*\*) The scenario of conflict between Russia and Ukraine may have a future impact on the realization of these assets

## 6 Cash and cash equivalents

|   | Parent company |               | Consolidated  |                |
|---|----------------|---------------|---------------|----------------|
|   | 03/31/2024     | 12/31/2023    | 03/31/2024    | 12/31/2023     |
| <b>Cash and banks</b>                   | 11,106         | 14,022        | 98,439        | 89,726         |
| <b>Cash equivalents</b>                 |                |               |               |                |
| <b>Short-term investments: in Reais</b> |                |               |               |                |
| Bank deposit certificates - CDB (a)     | -              | 31,193        | 942           | 31,671         |
| Fixed income                            | -              | -             | 521           | 16             |
|   | -              | 31,193        | 1,463         | 31,687         |
| <b>Cash and cash equivalents</b>        | <b>11,106</b>  | <b>45,215</b> | <b>99,902</b> | <b>121,413</b> |

Highly liquid short-term investments are readily convertible into a known amount of cash and subject to an insignificant risk of change in value.

- a) Investments in bank deposit certificates (CDB) are remunerated at a fixed rate ranging from 78% to 101% of the Interbank Deposit Certificate (CDI) at March 31, 2024 (60% to 101% of the CDI at December 31, 2023).



## 6.1 Marketable securities

|   | Parent company |              | Consolidated  |               |
|---|----------------|--------------|---------------|---------------|
|   | 03/31/2024     | 12/31/2023   | 12/31/2023    | 12/31/2023    |
| <b>Marketable securities: in Reais</b>            |                |              |               |               |
| Investment funds (a)                              | 3,201          | 3,777        | 3,201         | 3,777         |
| Debentures (b)                                    | 4,749          | 4,683        | 4,749         | 4,683         |
|   | <u>7,950</u>   | <u>8,460</u> | <u>7,950</u>  | <u>8,460</u>  |
| <b>Marketable securities: in foreign currency</b> |                |              |               |               |
| Investment funds (US Dollar) (a)                  | -              | -            | 24,241        | 17,633        |
| Investment fund (Euro) (a)                        | -              | -            | 34,311        | 33,693        |
| Investment funds (Turkish Lira) (a)               | -              | -            | 153           | 168           |
|   | <u>-</u>       | <u>-</u>     | <u>58,705</u> | <u>51,494</u> |
| Total   | <u>7,950</u>   | <u>8,460</u> | <u>66,655</u> | <u>59,954</u> |
| Total current                                     | 3,201          | 3,777        | 61,906        | 55,271        |
| Total noncurrent                                  | 4,749          | 4,683        | 4,749         | 4,683         |

a) Investments in multimarket investment funds are calculated taking into consideration the value of the shares, which are priced according to the investment portfolio. The amount of R\$3,201 is invested in Coastal Fundo de Investimentos em Ações, which has shares of Veste S.A. Estilo.

b) Debentures are remunerated at the Brazilian National Consumer Price Index (IPCA) plus a fixed rate of 8% p.a. as at March 31, 2024 and December 31, 2023.

## 7 Trade receivables

|                        | Parent company  |                 | Consolidated    |                 |
|------------------------|-----------------|-----------------|-----------------|-----------------|
|                        | 03/31/2024      | 12/31/2023      | 03/31/2024      | 12/31/2023      |
| Domestic customers     | 181,848         | 235,215         | 391,792         | 507,002         |
| Foreign customers      | 8,566           | 11,674          | 137,047         | 123,440         |
|                        | <u>190,414</u>  | <u>246,889</u>  | <u>528,839</u>  | <u>630,442</u>  |
| Expected credit losses | <u>(16,610)</u> | <u>(15,766)</u> | <u>(26,422)</u> | <u>(29,765)</u> |
| Current                | <u>173,804</u>  | <u>231,123</u>  | <u>502,417</u>  | <u>600,677</u>  |

Changes in the allowance for expected credit losses were as follows:

|  | <b>Parent company</b> | <b>Consolidated</b> |
|--|-----------------------|---------------------|
| Balance as at December 31, 2023  | (15,766)              | (29,765)            |
| Receivables accrued/reversed in the period   | (884)                 | (2,030)             |
| Receivables used in the period   | 40                    | 5,824               |
| Exchange rate gains (losses) recognized in profit or loss  | -                     | 10                  |
| Exchange rate gains from (losses on) translation of balances in the statement of financial position recognized in other comprehensive income | -                     | (461)               |
| Balance as at March 31, 2024   | <u>(16,610)</u>       | <u>(26,422)</u>     |

|  | <b>Parent company</b> | <b>Consolidated</b> |
|--|-----------------------|---------------------|
| Balance as at December 31, 2022  | (8,775)               | (26,234)            |
| Receivables accrued in the year  | (10,635)              | (12,107)            |
| Receivables recovered/reversed in the year   | -                     | 7,032               |
| Exchange rate gains (losses) recognized in profit or loss  | 3,644                 | 345                 |
| Exchange rate gains from (losses on) translation of balances in the statement of financial position recognized in other comprehensive income | -                     | 1,199               |
| Balance as at December 31, 2023  | <u>(15,766)</u>       | <u>(29,765)</u>     |

The breakdown of the allowance for expected credit losses by geographic region is as follows:

|        | <b>Consolidated</b> |                   |
|--------|---------------------|-------------------|
|        | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Brazil | 17,151              | 16,107            |
| Turkey | 4,017               | 4,155             |
| Mexico | 1,473               | 1,166             |
| USA    | 3,552               | 3,442             |
| Others | 228                 | 4,895             |
|        | <u>26,422</u>       | <u>29,765</u>     |

The aging list of trade receivables is as follows:

|                                   | <b>Parent company</b> |                   | <b>Consolidated</b> |                   |
|-----------------------------------|-----------------------|-------------------|---------------------|-------------------|
|                                   | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Falling due:                      |                       |                   |                     |                   |
| Up to 30 days                     | 65,359                | 96,578            | 119,309             | 166,819           |
| Over 30 days                      | 106,364               | 132,236           | 338,469             | 396,750           |
|                                   | 171,723               | 228,814           | 457,778             | 563,569           |
| Overdue:                          |                       |                   |                     |                   |
| Up to 30 days                     | 85                    | 122               | 35,340              | 18,312            |
| From 31 to 60 days                | 870                   | 162               | 6,591               | 9,740             |
| From 61 to 90 days                | 451                   | 702               | 3,766               | 6,258             |
| From 91 to 180 days               | 1,228                 | 1,316             | 3,296               | 9,536             |
| Over 180 days                     | 16,057                | 15,773            | 22,068              | 23,027            |
|                                   | 18,691                | 18,075            | 71,061              | 66,873            |
| Total trade receivables - current | 190,414               | 246,889           | 528,839             | 630,442           |

The Company recognizes an allowance for expected credit losses at the amount of estimated losses resulting from inability of our customers to pay overdue bills. Management determines the amount to be provided for with respect to the domestic and foreign markets based on individual analyses of each customer. These allowances are reviewed monthly so that they can be adjusted, if necessary. In the decision-making process, Management also bases itself on historical uncollectible debts, the customer's financial soundness, each country's current economic scenario, and changes in the customer's payment patterns. Historically, the Company has not incurred material losses on the realization of receivables.

As at March 31, 2024, the Company and its subsidiaries had recourse loans assigned to financial institutions totaling R\$106,304 (R\$171,586 as at December 31, 2023) and R\$157,453 (R\$209,043 as at December 31, 2023), recorded in the individual and consolidated financial statements, respectively. These amounts are classified as borrowings since the risk of not receiving them from customers was not transferred to the financial institution (note 17), and the commissions charged for these operations were considered as financial expenses.

## 8 Inventories

|                               | <b>Parent company</b> |                   | <b>Consolidated</b> |                   |
|-------------------------------|-----------------------|-------------------|---------------------|-------------------|
|                               | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Finished goods                | 39,766                | 19,179            | 162,955             | 92,378            |
| Work in progress              | 6,624                 | 5,525             | 20,252              | 16,958            |
| Raw materials and spare parts | 51,639                | 43,150            | 246,865             | 205,080           |
| Auxiliary and other materials | 2,083                 | 3,180             | 9,843               | 7,881             |
| Imports in transit            | 837                   | 605               | 2,145               | 1,055             |
| Total                         | 100,949               | 71,639            | 442,060             | 323,352           |

A provision was recognized for certain items considered obsolete or slow-moving, according to the policy established by the Company and its subsidiaries. The inventory balances were presented net of this provision. The balances of this provision as at March 31, 2024 were R\$6,033 (R\$6,472 as at December 31, 2023) and R\$21,213 (R\$20,237 as at December 31, 2023) in the individual and consolidated financial information, respectively. This provision is presented in the statement of profit or loss under “Cost of sales and services”.

## 9 Taxes recoverable

|   | Parent company |               | Consolidated   |               |
|---|----------------|---------------|----------------|---------------|
|   | 03/31/2024     | 12/31/2023    | 03/31/2024     | 12/31/2023    |
| Value-added tax on sales and services (ICMS)      | 2,053          | 1,252         | 2,171          | 1,337         |
| Valued-added tax (VAT) - international operations | 18             | 11            | 88,442         | 76,623        |
| Excise tax (IPI)                                  | 10,694         | 10,929        | 10,694         | 10,929        |
| Taxes on revenue (PIS and COFINS)                 | 847            | 976           | 1,754          | 1,860         |
| Others  | 1              | 2             | 82             | 70            |
| <b>Total</b>                                      | <b>13,613</b>  | <b>13,170</b> | <b>103,143</b> | <b>90,819</b> |
| Total current                                     | 13,061         | 12,485        | 102,282        | 89,807        |
| Total noncurrent                                  | 552            | 685           | 861            | 1,012         |

## 10 Income tax and social contribution - Current and deferred

### a. *Deferred taxes*

Deferred income tax and social contribution are recognized to reflect future tax effects attributable to tax losses and temporary differences between the tax base of assets and liabilities and their respective carrying amount.

The amounts of deferred income tax and social contribution recognized in noncurrent assets and liabilities are as follows:

|   | Parent company |            | Consolidated  |               |
|---|----------------|------------|---------------|---------------|
|   | 03/31/2024     | 12/31/2023 | 03/31/2024    | 12/31/2023    |
| <b>Assets</b>   |                |            |               |               |
| <b>Temporary differences</b>                                  |                |            |               |               |
| Expected credit losses  | 5,408          | 5,280      | 6,001         | 5,823         |
| Guarantees  | 7,084          | 7,508      | 8,377         | 8,920         |
| Sales commissions and bonuses                                 | 2,300          | 2,268      | 2,300         | 2,268         |
| Other commercial obligations                                  | -              | 22         | 12,068        | 8,890         |
| Other administrative obligations                              | 3,576          | 3,331      | 5,090         | 4,608         |
| Bonuses and gratuities  | 2,620          | 2,687      | 2,620         | 2,687         |
| Risks   | 4,827          | 5,191      | 4,827         | 5,191         |
| Inventory losses  | 2,051          | 2,200      | 7,670         | 7,357         |
| Deferred exchange differences                                 | 5,172          | 5,402      | 5,172         | 5,402         |
| IFRS 16 - leasing   | -              | -          | 8,326         | 10,251        |
| Fair value of financial instruments                           | 41,220         | 41,024     | 46,289        | 41,024        |
| Share grant expenses  | 668            | 575        | 668           | 575           |
| Inflation differences   | -              | -          | 32,785        | 44,043        |
| Others  | 885            | 1,142      | 12,535        | 5,098         |
| <b>Income tax and social contribution losses</b>              | 182,971        | 181,188    | 199,736       | 205,622       |
| Total deferred income tax and social contribution assets      | 258,782        | 257,818    | 354,464       | 357,759       |
| <b>Liabilities</b>  |                |            |               |               |
| Revaluation of assets   | (1)            | (1)        | (1)           | (1)           |
| Others  | (1,049)        | (1,049)    | (4,955)       | (3,364)       |
| Total deferred income tax and social contribution liabilities | (1,050)        | (1,050)    | (4,956)       | (3,365)       |
| Unrecognized tax credits due to expectation of realization    | (257,732)      | (256,768)  | (282,020)     | (279,829)     |
| <b>Deferred taxes, net</b>                                    | <b>-</b>       | <b>-</b>   | <b>67,488</b> | <b>74,565</b> |

Management considers that consolidated deferred assets recognized based on temporary differences will be realized in proportion to the final resolution of the contingencies and events. The realization of tax losses is based on projections of taxable profits. Deferred assets are expected to be realized as follows, by year:

|       | <b>Parent company</b> |                   | <b>Consolidated</b> |                   |
|-------|-----------------------|-------------------|---------------------|-------------------|
|       | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| 2024  | -                     | -                 | 14,248              | 16,319            |
| 2025  | -                     | -                 | 15,525              | 17,599            |
| 2026  | -                     | -                 | 15,803              | 17,877            |
| 2027  | -                     | -                 | 16,112              | 18,186            |
| 2028  | -                     | -                 | 5,800               | 4,584             |
| Total | -                     | -                 | 67,488              | 74,565            |

The parent company and its subsidiary MTF - Mexico did not recognize tax credits based on the balances of tax losses and temporary differences generated in the current year due to the uncertainty as to future taxable profits. Despite this, the Company and its subsidiary MTF - Mexico are entitled to offset these credits in the future, in the amount of R\$282,020.

The changes in temporary differences recorded in the individual and consolidated interim financial information for the period ended March 31, 2024 are as follows:

|   | Parent company |                                 |            |
|---|----------------|---------------------------------|------------|
|   | 12/31/2023     | Recognized in<br>profit or loss | 03/31/2024 |
| Assets  |                |                                 |            |
| Temporary differences   |                |                                 |            |
| Expected credit losses  | 5,280          | 128                             | 5,408      |
| Guarantees  | 7,508          | (424)                           | 7,084      |
| Sales commissions and bonuses                                 | 2,268          | 32                              | 2,300      |
| Other commercial obligations                                  | 22             | (22)                            | -          |
| Other administrative obligations                              | 3,331          | 245                             | 3,576      |
| Bonuses and gratuities  | 2,687          | (67)                            | 2,620      |
| Risks   | 5,191          | (364)                           | 4,827      |
| Inventory losses  | 2,200          | (149)                           | 2,051      |
| Deferred exchange differences                                 | 5,402          | (230)                           | 5,172      |
| Fair value of financial instruments                           | 41,024         | 196                             | 41,220     |
| Share grant expenses  | 575            | 93                              | 668        |
| Others  | 1,142          | (257)                           | 885        |
| Income tax and social contribution losses                     | 181,188        | 1,783                           | 182,971    |
| Total deferred income tax and social contribution assets      | 257,818        | 964                             | 258,782    |
| Liabilities   |                |                                 |            |
| Temporary differences   |                |                                 |            |
| Revaluation of assets   | (1)            | -                               | (1)        |
| Others  | (1,049)        | -                               | (1,049)    |
| Total deferred income tax and social contribution liabilities | (1,050)        | -                               | (1,050)    |
| Unrecognized tax credits due to expectation of realization    | (256,768)      | (964)                           | (257,732)  |
| Deferred taxes, net   | -              | -                               | -          |
| Equity  |                |                                 |            |
| Temporary differences   |                |                                 |            |
| Exchange rate gains from (losses on) net investment           | 2,657          |                                 | 2,657      |
| Total deferred income tax and social contribution - Equity    | 2,657          | -                               | 2,657      |

|   | Consolidated |                                 |   | 03/31/2024 |
|---|--------------|---------------------------------|---|------------|
|   | 12/31/2023   | Recognized in<br>profit or loss | Recognized in<br>other<br>comprehensive<br>income |            |
| Assets  |              |                                 |   |            |
| Temporary differences   |              |                                 |   |            |
| Expected credit losses  | 5,823        | 157                             | 21  | 6,001      |
| Guarantees  | 8,920        | (554)                           | 11  | 8,377      |
| Sales commissions and bonuses                                 | 2,268        | 32                              | -   | 2,300      |
| Other commercial obligations                                  | 8,890        | 2,794                           | 384   | 12,068     |
| Other administrative obligations                              | 4,608        | 420                             | 62  | 5,090      |
| Bonuses and gratuities  | 2,687        | (67)                            | -   | 2,620      |
| Risks   | 5,191        | (364)                           | -   | 4,827      |
| Inventory losses  | 7,357        | 117                             | 196   | 7,670      |
| Deferred exchange differences                                 | 5,402        | (230)                           | -   | 5,172      |
| IFRS 16 - Leasing   | 10,251       | (2,438)                         | 513   | 8,326      |
| Fair value of financial instruments                           | 41,024       | 5,246                           | 19  | 46,289     |
| Share grant expenses  | 575          | 93                              | -   | 668        |
| Inflation differences   | 44,043       | (11,594)                        | 336   | 32,785     |
| Others  | 5,098        | 7,281                           | 156   | 12,535     |
| Income tax and social contribution losses                     | 205,622      | (7,072)                         | 1,186   | 199,736    |
| Total deferred income tax and social contribution assets      | 357,759      | (6,179)                         | 2,884   | 354,464    |
| Liabilities   |              |                                 |   |            |
| Temporary differences   |              |                                 |   |            |
| Revaluation of assets   | (1)          | -                               | -   | (1)        |
| Others  | (3,364)      | (1,565)                         | (26)  | (4,955)    |
| Total deferred income tax and social contribution liabilities | (3,365)      | (1,565)                         | (26)  | (4,956)    |
| Unrecognized tax credits due to expectation of realization    | (279,829)    | (964)                           | (1,227)   | (282,020)  |
| Deferred taxes, net   | 74,565       | (8,708)                         | 1,631   | 67,488     |
| Equity  |              |                                 |   |            |
| Temporary differences   |              |                                 |   |            |
| Foreign exchange rate gains from (losses on) net investment   | 2,658        | -                               | -   | 2,658      |
| Total deferred income tax and social contribution - Equity    | 2,658        | -                               | -   | 2,658      |



**b. Reconciliation of income tax and social contribution - current and deferred**

The reconciliation of income tax and social contribution recognized in profit or loss for the periods ended March 31, 2024 and December 31, 2023 is as follows:

|  | Parent company |            | Consolidated |            |
|--|----------------|------------|--------------|------------|
|  | 03/31/2024     | 03/31/2023 | 03/31/2024   | 03/31/2023 |
| Profit (loss) before income tax and social contribution            | 2,577          | (26,385)   | 11,526       | (29,460)   |
| Combined statutory rate for income tax and social contribution     | 34%            | 34%        | 34%          | 34%        |
|  | (876)          | 8,971      | (3,919)      | 10,016     |
| Permanent differences:   |                |            |              |            |
| Share of profit (loss) of subsidiaries                             | (763)          | 599        | -            | -          |
| Deferred income tax not recognized based on tax losses/profits (*) | -              | -          | 254          | 595        |
| Differences in rates (**)  | -              | -          | (7,206)      | 1,593      |
| Tax incentive  | 3,447          | 3,556      | 3,447        | 3,556      |
| Transfer pricing adjustment and interest on debt                   | (832)          | (2,662)    | (832)        | (2,662)    |
| Loss allowance   | (964)          | (11,070)   | (2,191)      | (11,070)   |
| Others   | (12)           | 606        | (5)          | (141)      |
| Income tax and social contribution                                 | (0)            | (0)        | (10,452)     | 1,887      |
| Current  | -              | -          | (1,744)      | (1,487)    |
| Deferred   | -              | -          | (8,708)      | 3,374      |
| Effective rate   | 0.0%           | 0.0%       | 90.7%        | 6.4%       |

(\*) No deferred income tax and social contribution has been recognized based on tax losses generated in the subsidiaries, except for Metalfrio - Turkey and Metalfrio - Mexico, due to the uncertainty as to the realization of these tax credits.

(\*\*) As mentioned in note 3.5(d), each subsidiary is subject to income tax rate in accordance with legislation of its country of origin.

**c. Tax benefits - Kaliningrad industrial unit - Russia**

Kaliningrad is a Russian economic zone that benefits from import and export tax incentives for an indeterminate period.

## 11 Related parties

The main asset and liability balances as at March 31, 2024 and December 31, 2023 result from transactions with related parties, key management personnel and other related parties that impacted profit or loss for the period, carried out under conditions contractually established by the parties.

|  |              | Parent company               |                    |            |            |            |
|--|--------------|------------------------------|--------------------|------------|------------|------------|
|  | Curren<br>cy | Annual<br>finance<br>charges | Transactions - R\$ |            | Balances   |            |
|  |              |                              | 03/31/2024         | 03/31/2023 | 03/31/2024 | 31/12/2023 |
| Assets   |              |                              |                    |            |            |            |
| Current:   |              |                              |                    |            |            |            |
| Receivables from related parties - direct subsidiaries   |              |                              |                    |            |            |            |
| Begur Transportes (b)                                    | Real         |                              | 344                | 2          | 82         | 13         |
|  |              |                              | 344                | 2          | 82         | 13         |
| Receivables from related parties - indirect subsidiaries |              |                              |                    |            |            |            |
| Klimasan (b)   | Dollar       |                              | -                  | -          | 715        | 610        |
| 3L (b)   | Real         |                              | 9,461              | 4,090      | 15,254     | 15,029     |
|  |              |                              | 9,461              | 4,090      | 15,969     | 15,639     |
| Total receivables from related parties                   |              |                              | 9,805              | 4,092      | 16,051     | 15,652     |
| Loans to related parties                                 |              |                              |                    |            |            |            |
| Loans to related parties - direct subsidiaries           |              |                              |                    |            |            |            |
| Metalfrio - USA (a)                                      | Dollar       | 5% p.a.                      | -                  | -          | 5,284      | 5,090      |
| Rome (a)   | Dollar       | 5% p.a.                      | -                  | -          | 7,929      | 7,684      |
| Total loans to related parties                           |              |                              | -                  | -          | 13,213     | 12,774     |
| Noncurrent:  |              |                              |                    |            |            |            |
| Receivables from related parties - direct subsidiaries   |              |                              |                    |            |            |            |
| Metalfrio - Mexico (b)                                   | Dollar       |                              | -                  | -          | 806        | 781        |
| Metalfrio - USA (b)                                      | Dollar       |                              | -                  | -          | 128        | 124        |
| Total receivables from related parties                   |              |                              | -                  | -          | 934        | 905        |

| Consolidated                           |          |                              |                    |            |                       |
|--|----------|------------------------------|--------------------|------------|-----------------------|
|  | Currency | Annual<br>finance<br>charges | Transactions - R\$ |            | Balances              |
|  |          |                              | 03/31/2024         | 03/31/2023 | 03/31/2024 12/31/2023 |
| <b>Assets</b>                          |          |                              |                    |            |                       |
| Current:                               |          |                              |                    |            |                       |
| Receivables from related parties       |          |                              |                    |            |                       |
| Marsel Sogutma A.S. (c)                | Dollar   |                              | 13,456             | 14,380     | 9,071 10,903          |
| Total receivables from related parties |          |                              | 13,456             | 14,380     | 9,071 10,903          |

| Parent company                                      |          |                              |                    |            |                       |
|---|----------|------------------------------|--------------------|------------|-----------------------|
|   | Currency | Annual<br>finance<br>charges | Transactions - R\$ |            | Balances              |
|   |          |                              | 03/31/2024         | 03/31/2023 | 03/31/2024 12/31/2023 |
| <b>Liabilities</b>                                  |          |                              |                    |            |                       |
| Current:  |          |                              |                    |            |                       |
| Payables to related parties - direct subsidiaries   |          |                              |                    |            |                       |
| Begur (b)   | Real     |                              | 3,437              | 2,659      | 2,687 3,114           |
| Metalfrio - Mexico (b)                              | Dollar   |                              | -                  | -          | 1,253 1,214           |
|   |          |                              | 3,437              | 2,659      | 3,940 4,328           |
| Payables to related parties - indirect subsidiaries |          |                              |                    |            |                       |
| Klimasan (b)  | Euro     |                              | -                  | -          | 480 465               |
|   |          |                              | -                  | -          | 480 465               |
| Total payables - related parties                    |          |                              | 3,437              | 2,659      | 4,420 4,793           |

| Parent company  |          |                              |                    |            |                       |
|---|----------|------------------------------|--------------------|------------|-----------------------|
|   | Currency | Annual<br>finance<br>charges | Transactions - R\$ |            | Balances              |
|   |          |                              | 03/31/2024         | 03/31/2023 | 03/31/2024 12/31/2023 |
| <b>Liabilities</b>  |          |                              |                    |            |                       |
| Noncurrent:   |          |                              |                    |            |                       |
| Loans agreements with related parties                       |          |                              |                    |            |                       |
| Loans agreements with related parties - direct subsidiaries |          |                              |                    |            |                       |
| Metalfrio - Turkey (a)                                      | Euro     | 5.50% p.a.                   | -                  | -          | 183,586 186,995       |
|   |          |                              | -                  | -          | 183,586 186,995       |
| Total loan agreements with related parties                  |          |                              | -                  | -          | 183,586 186,995       |

**Transactions with related parties:**

|  | Parent company |            | Consolidated |            |
|--|----------------|------------|--------------|------------|
|  | 03/31/2024     | 03/31/2023 | 03/31/2024   | 03/31/2023 |
| <b>Operating loss</b>  |                |            |              |            |
| <b>Other related parties</b>   |                |            |              |            |
| Management compensation  | (2,051)        | (1,832)    | (2,051)      | (1,832)    |
| Stock option plan  | (272)          | -          | (272)        | -          |
|  | (2,323)        | (1,832)    | (2,323)      | (1,832)    |
| <b>Total operating loss with related parties</b>                                       | (2,323)        | (1,832)    | (2,323)      | (1,832)    |
| <b>Financial income (expenses), net</b>  |                |            |              |            |
| Interest on loans - direct subsidiaries  |                |            |              |            |
| Metalfrio - Turkey (a)   | (2,150)        | (2,272)    | -            | -          |
| Metalfrio - USA (a)  | 30             | 31         | -            | -          |
|  | (2,120)        | (2,241)    | -            | -          |
| <b>Total interest on loan agreements with related parties</b>                          | (2,120)        | (2,241)    | -            | -          |
| Exchange rate gains from (losses on) loan agreements with direct subsidiaries:         |                |            |              |            |
| Metalfrio - Turkey (a)   | (1,643)        | 1,600      | -            | -          |
| Metalfrio - USA (a)  | 162            | (141)      | -            | -          |
| Rome (a)   | 246            | (218)      | -            | -          |
|  | (1,235)        | 1,241      | -            | -          |
| <b>Total exchange rate gains from (losses on) loan agreements with related parties</b> | (1,235)        | 1,241      | -            | -          |
| <b>Total financial income from (expenses on) transactions with related parties</b>     | (3,355)        | (1,000)    | -            | -          |

- (a) It refers to loan transactions between related parties with a 12-month term, which can be extended.
- (b) It refers to purchase/sale of finished goods, parts or services.
- (c) It refers to sale of parts to Marsel Sogutma A.S., a distributor of parts for refrigerators. Mr. Marcelo Faria de Lima, Chairman of the Board of Directors, and Mr. Selim Hamamcioglu, member of Klimasan's board of directors, are shareholders of Marsel.

## ***Compensation to key management personnel***

|   | Parent company |              | Consolidated |              |
|---|----------------|--------------|--------------|--------------|
|   | 03/31/2024     | 03/31/2023   | 03/31/2024   | 03/31/2023   |
| Short-term benefits                         |                |              |              |              |
| Statutory directors - fixed compensation    | 1,106          | 1,028        | 1,106        | 1,028        |
| Statutory directors - variable compensation | 369            | 231          | 369          | 231          |
| Board of Directors (fees)                   | 572            | 555          | 572          | 555          |
| Audit Committee (fees)                      | 4              | 18           | 4            | 18           |
| Total                                       | <u>2,051</u>   | <u>1,832</u> | <u>2,051</u> | <u>1,832</u> |
| Stock option plan                           | 272            | -            | 272          | -            |
| Total                                       | <u>2,323</u>   | <u>1,832</u> | <u>2,323</u> | <u>1,832</u> |

## ***Allowance for expected credit losses – Related parties***

In the periods ended March 31, 2024 and December 31, 2023, the Company did not recognize an allowance for expected credit losses with respect to related parties since it does not have a history of such type of loss, and does not expect losses on credits stated in this interim financial information.

## ***Sureties, collaterals and guarantees - Related parties***

The Company is the guarantor of its subsidiary in Mexico for transactions with local banks in the amount of US\$19,270 as at March 31, 2024, equivalent to R\$96,277.

Related-party asset and liability balances have no guarantees.

## **12 Investments in subsidiaries**

The main information on investments as at March 31, 2024 and December 31, 2023 is as follows:

|   | 03/31/2024    |                   |                              |                      |  |  |                       |
|---|---------------|-------------------|------------------------------|----------------------|--|--|-----------------------|
|   | Share capital | Equity - adjusted | Profit (loss) for the period | Ownership interest % | Share of profit (loss) of subsidiaries | Balance of investments of the parent company | Provision for deficit |
| Metalfrio - Turkey                      | 86,673        | 207,023           | (8,847)                      | 100                  | (8,847)                                | 207,023                                      | -                     |
| Metalfrio - Denmark                     | 5,862         | -                 | -                            | 100                  | -                                      | -  | -                     |
| Metalfrio - USA                         | 21,334        | (18,600)          | (328)                        | 100                  | (328)                                  | -  | (18,600)              |
| Metalfrio - Mexico                      | 136,912       | 107,976           | 515                          | 100                  | 515                                    | 107,976                                      | -                     |
| Rome                                    | 292,089       | 99,875            | 1,077                        | 100                  | 1,077                                  | 99,875                                       | -                     |
| Begur                                   | 751           | 75,104            | 6,785                        | 80                   | 5,428                                  | 60,084                                       | -                     |
| Metalfrio - Bolivia                     | 800           | 80                | (12)                         | 100                  | (12)                                   | 80   | -                     |
| Goodwill - Metalfrio Mexico             |               |                   |                              |                      | -                                      | 1,637  | -                     |
| Total investments of the parent company |               |                   |                              |                      | <u>(2,167)</u>                         | <u>476,675</u>                               | <u>(18,600)</u>       |

| 12/31/2023                              |               |                   |                            |                      |  |  |
|---|---------------|-------------------|----------------------------|----------------------|--|--|
|   | Share capital | Equity - adjusted | Profit (loss) for the year | Ownership interest % | Share of profit (loss) of subsidiaries | Balance of investments of the parent company |
| Metalfrio - Turkey                      | 86,673        | 212,798           | 46,353                     | 100                  | 46,353                                 | 212,798                                      |
| Metalfrio - Denmark                     | 5,862         | -                 | 83                         | 100                  | 83                                     | -  |
| Metalfrio - USA                         | 21,334        | (17,702)          | 464                        | 100                  | 464                                    | -  |
| Metalfrio - Mexico                      | 136,912       | 102,114           | (723)                      | 100                  | (723)                                  | 102,114                                      |
| Rome                                    | 291,763       | 98,472            | 1,626                      | 100                  | 1,626                                  | 98,472                                       |
| Begur                                   | 751           | 68,319            | 28,576                     | 80                   | 22,861                                 | 54,656                                       |
| Metalfrio - Bolivia                     | 800           | 89                | (11)                       | 100                  | (11)                                   | 89   |
| Goodwill - Metalfrio Mexico             |               |                   |                            |                      | -                                      | 1,637  |
| Total investments of the parent company |               |                   |                            |                      | 70,653                                 | 469,766                                      |
|   |               |                   |                            |                      |  | (17,702)                                     |

Changes in investments and in the provision for deficit are as follows:

|                             | Balance as at December 31, 2023 | Share of profit (loss) of subsidiaries | Other comprehensive income | Capital increase / decrease | Balance as at March 31, 2024 |
|-----------------------------|---------------------------------|--|----------------------------|-----------------------------|------------------------------|
| Metalfrio - Turkey          | 212,798                         | (8,847)                                | 3,072                      | -                           | 207,023                      |
| Metalfrio - USA             | (17,702)                        | (328)                                  | (570)                      | -                           | (18,600)                     |
| Metalfrio - Mexico          | 102,114                         | 515                                    | 5,347                      | -                           | 107,976                      |
| Rome                        | 98,472                          | 1,077                                  | -                          | 326                         | 99,875                       |
| Begur                       | 54,656                          | 5,428                                  | -                          | -                           | 60,084                       |
| Metalfrio - Bolivia         | 89                              | (12)                                   | 3                          | -                           | 80                           |
| Goodwill - Metalfrio Mexico | 1,637                           | -                                      | -                          | -                           | 1,637                        |
| Total                       | 452,064                         | (2,167)                                | 7,852                      | 326                         | 458,075                      |

Total assets, liabilities, net revenue and profit or loss of the Company's subsidiaries for the period ended March 31, 2024, are as follows:

|                         | Total assets     | Total liabilities | Net revenue ( * ) | Profit (loss) for the period |
|-------------------------|------------------|-------------------|-------------------|------------------------------|
| Direct subsidiaries:    |                  |                   |                   |                              |
| Metalfrio - Turkey      | 360,536          | 153,513           | -                 | (8,847)                      |
| Metalfrio - Denmark     | 178              | 178               | -                 | -                            |
| Metalfrio - USA         | 2,279            | 20,879            | 661               | (328)                        |
| Metalfrio - Mexico      | 290,196          | 182,220           | 86,220            | 515                          |
| Rome                    | 111,361          | 11,486            | -                 | 1,077                        |
| Begur                   | 86,644           | 11,540            | 5,965             | 6,785                        |
| Metalfrio - Bolivia     | 265              | 185               | -                 | (12)                         |
|                         | <u>851,459</u>   | <u>380,001</u>    | <u>92,846</u>     | <u>(810)</u>                 |
| Indirect subsidiaries:  |                  |                   |                   |                              |
| OOO Estate              | 15,241           | 529               | -                 | (251)                        |
| OOO Metalfrio Solutions | 34,557           | 41,039            | 12,240            | (1,155)                      |
| Metalfrio Servicios     | 4,905            | 580               | -                 | (3)                          |
| Klimasan                | 1,006,300        | 834,684           | 142,507           | (9,152)                      |
| Klimasan - Ukraine      | 32               | 97                | -                 | -                            |
| Metalfrio - Poland      | 4,204            | 1,170             | 305               | (526)                        |
| Metalfrio - Nigeria     | 3,416            | 70                | -                 | -                            |
| Sabcool                 | 22               | -                 | -                 | -                            |
| Klimasan - N.A.         | 72,761           | 4,028             | -                 | 4,829                        |
| 3L                      | 115,436          | 62,962            | 11,610            | 5,616                        |
|                         | <u>1,256,874</u> | <u>945,159</u>    | <u>166,662</u>    | <u>(642)</u>                 |
| Parent company          | 900,813          | 561,298           | 174,790           | 2,577                        |
| Eliminations            | (1,191,922)      | (492,525)         | -                 | (51)                         |
| Consolidated            | <u>1,817,224</u> | <u>1,393,933</u>  | <u>434,298</u>    | <u>1,074</u>                 |

( \* ) Net revenue is being presented with the eliminations of sales between related parties.

As mentioned in note 1, the indirect subsidiary Klimasan has its shares listed on the Istanbul Stock Exchange. The investment in Klimasan is accounted for under the equity method (as mentioned in note 3.4e) and the fair value of the Company's interest in this subsidiary as at March 31, 2024 is R\$255,568 (R\$195,986 as at December 31, 2023), calculated according to the shares' closing price at the end of each reporting period.

### **Metalfrio – Turkey and subsidiaries**

The Klimasan industrial unit produces horizontal and vertical freezers and a special line of freezers and refrigerators. This unit meets the demands of the Turkish, European, Middle Eastern, Asian and African markets.

### **Metalfrio - Denmark**

Company headquartered in Viborg, which intermediates sales of refrigerators to the European market.

In July 2022, the Board of Directors approved the closing of this subsidiary. Management started the closing process with the local bodies and recorded a provision for investment write-off in the amount of R\$5,145 in the year ended December 31, 2022.

### **Metalfrio - Russia**

The Kaliningrad industrial unit produces horizontal freezers and meets the demand mainly of Russia and Eastern Europe.

### **Metalfrio - USA**

Resale office located in the city of Boerne, in the State of Texas, engaged in the resale of freezers and refrigerators in the North American market.

### **Rome**

Rome is a company headquartered in Bahamas, set up for the purpose of managing the Company's financial activities.

### **Metalfrio - Mexico**

This company is headquartered in Celaya, Mexico, and is engaged in the production and sale of commercial refrigerators.

### **Metalfrio Servicios - Mexico**

This company is headquartered in Celaya, Mexico, and is engaged in rendering services related to commercial and financial management and outsourcing of labor.

### **Begur**

The company, headquartered in São Paulo, is engaged in rendering logistics services to the Company and to third parties in Brazil.

### **3L**

3L offers full-service leases for refrigeration equipment, ovens and other equipment to manufacturers of beverages, frozen and chilled food, food services and convenience stores, meeting the demand of the Brazilian market.



### **Metalfrio - Bolivia**

Metalfrio - Bolivia, headquartered in Santa Cruz de la Sierra, is engaged in providing freezer maintenance services to meet the demand of the Latin American market.

### **Metalfrio - Nigeria and Sabcool**

Metalfrio - Nigeria and Sabcool are located in Nigeria, and are engaged in the sale of refrigerators to meet the demand of the African market.

### **Metalfrio – Argentina**

Metalfrio - Argentina is a branch of the Company located in Argentina and engaged in intermediating sales of refrigerators to Latin American countries.

## **13 Property, plant and equipment**

| Parent company           |                      |                       |                 |                 |                      |                      |
|--------------------------|----------------------|-----------------------|-----------------|-----------------|----------------------|----------------------|
| Cost                     | 12/31/2023           | Additions             | Write-offs      | Transfers       | IFRS 16 / CPC 06 (*) | 03/31/2024           |
| Land                     | 588                  | -                     | -               | -               | -                    | 588                  |
| Buildings                | 37,257               | 135                   | -               | 127             | -                    | 37,519               |
| Machinery and equipment  | 166,751              | 723                   | -               | 46              | -                    | 167,520              |
| Facilities               | 6,319                | 140                   | -               | 227             | -                    | 6,686                |
| Improvements             | 4,214                | -                     | -               | 241             | -                    | 4,455                |
| Furniture and fixtures   | 2,339                | 83                    | -               | -               | -                    | 2,422                |
| Vehicles                 | 379                  | -                     | -               | -               | -                    | 379                  |
| Right of use             | 43,612               | -                     | -               | -               | 480                  | 44,092               |
| Construction in progress | 2,103                | 532                   | -               | (641)           | -                    | 1,994                |
|                          | <u>263,562</u>       | <u>1,613</u>          | <u>-</u>        | <u>-</u>        | <u>480</u>           | <u>265,655</u>       |
| Depreciation             | 12/31/2023           | Additions             | Write-offs      | Transfers       | IFRS 16 / CPC 06 (*) | 03/31/2024           |
| Buildings                | (21,814)             | (594)                 | -               | -               | -                    | (22,408)             |
| Machinery and equipment  | (136,315)            | (1,962)               | -               | -               | -                    | (138,277)            |
| Facilities               | (4,721)              | (127)                 | -               | -               | -                    | (4,848)              |
| Improvements             | (3,841)              | (16)                  | -               | -               | -                    | (3,857)              |
| Furniture and fixtures   | (1,735)              | (32)                  | -               | -               | -                    | (1,767)              |
| Vehicles                 | (379)                | -                     | -               | -               | -                    | (379)                |
| Right of use             | (23,881)             | (1,837)               | -               | -               | -                    | (25,718)             |
|                          | <u>(192,686)</u>     | <u>(4,568)</u>        | <u>-</u>        | <u>-</u>        | <u>-</u>             | <u>(197,254)</u>     |
| <b>Net value</b>         | <u><b>70,876</b></u> | <u><b>(2,955)</b></u> | <u><b>-</b></u> | <u><b>-</b></u> | <u><b>480</b></u>    | <u><b>68,401</b></u> |

(\*) see note 19.a

| Parent company           |                  |                 |                 |           |                         |                  |
|--------------------------|------------------|-----------------|-----------------|-----------|-------------------------|------------------|
| Cost                     | 12/31/2022       | Additions       | Write-offs      | Transfers | IFRS 16 / CPC<br>06 (*) | 12/31/2023       |
| Land                     | 588              | -               | -               | -         | -                       | 588              |
| Buildings                | 60,848           | 258             | (23,849)        | -         | -                       | 37,257           |
| Machinery and equipment  | 157,865          | 11,160          | (2,995)         | 721       | -                       | 166,751          |
| Facilities               | 6,316            | 142             | (139)           | -         | -                       | 6,319            |
| Improvements             | 4,194            | 20              | -               | -         | -                       | 4,214            |
| Furniture and fixtures   | 2,112            | 247             | (20)            | -         | -                       | 2,339            |
| Vehicles                 | 419              | -               | (40)            | -         | -                       | 379              |
| Right of use             | 39,179           | -               | -               | -         | 4,433                   | 43,612           |
| Construction in progress | 1,055            | 1,859           | (90)            | (721)     | -                       | 2,103            |
|                          | <u>272,576</u>   | <u>13,686</u>   | <u>(27,133)</u> | <u>-</u>  | <u>4,433</u>            | <u>263,562</u>   |
| Depreciation             | 12/31/2022       | Additions       | Write-offs      | Transfers | IFRS 16 / CPC<br>06 (*) | 12/31/2023       |
| Buildings                | (27,797)         | (2,368)         | 8,351           | -         | -                       | (21,814)         |
| Machinery and equipment  | (131,336)        | (7,759)         | 2,780           | -         | -                       | (136,315)        |
| Facilities               | (4,364)          | (486)           | 129             | -         | -                       | (4,721)          |
| Improvements             | (3,784)          | (57)            | -               | -         | -                       | (3,841)          |
| Furniture and fixtures   | (1,636)          | (115)           | 16              | -         | -                       | (1,735)          |
| Vehicles                 | (419)            | -               | 40              | -         | -                       | (379)            |
| Right of use             | (17,017)         | (6,864)         | -               | -         | -                       | (23,881)         |
|                          | <u>(186,353)</u> | <u>(17,649)</u> | <u>11,316</u>   | <u>-</u>  | <u>-</u>                | <u>(192,686)</u> |
| Net value                | <u>86,223</u>    | <u>(3,963)</u>  | <u>(15,817)</u> | <u>-</u>  | <u>4,433</u>            | <u>70,876</u>    |

(\*) see note 19.a

| Consolidated             |            |           |            |           |         |                     |            |
|--------------------------|------------|-----------|------------|-----------|---------|---------------------|------------|
| Cost                     | 12/31/2023 | Additions | Write-offs | Transfers | CTA     | IFRS 16 /<br>CPC 06 | 03/31/2024 |
| Land                     | 25,522     | -         | -          | -         | 697     | -                   | 26,219     |
| Buildings                | 91,966     | 2,001     | (22)       | 127       | 2,067   | -                   | 96,139     |
| Machinery and equipment  | 463,609    | 18,262    | (512)      | 46        | 2,630   | -                   | 484,035    |
| Facilities               | 6,391      | 140       | -          | 227       | -       | -                   | 6,758      |
| Improvements             | 4,609      | -         | -          | 241       | -       | -                   | 4,850      |
| Furniture and fixtures   | 22,111     | 243       | -          | -         | (2,442) | -                   | 19,912     |
| Vehicles                 | 12,622     | -         | (2,606)    | -         | (1,222) | -                   | 8,794      |
| Right of use (*)         | 85,761     | -         | -          | -         | 695     | 1,512               | 87,968     |
| Construction in progress | 14,379     | 2,955     | -          | (641)     | (2,653) | -                   | 14,040     |
|                          | 726,970    | 23,601    | (3,140)    | -         | (228)   | 1,512               | 748,715    |
|                          |            |           |            |           |         |                     |            |
| Depreciation             | 12/31/2023 | Additions | Write-offs | Transfers | CTA     | IFRS 16 /<br>CPC 06 | 03/31/2024 |
| Buildings                | (47,779)   | (1,219)   | 22         | -         | (910)   | -                   | (49,886)   |
| Machinery and equipment  | (282,315)  | (8,697)   | 102        | -         | 2,180   | -                   | (288,730)  |
| Facilities               | (4,765)    | (128)     | -          | -         | -       | -                   | (4,893)    |
| Improvements             | (3,857)    | (28)      | -          | -         | -       | -                   | (3,885)    |
| Furniture and fixtures   | (16,970)   | (341)     | -          | -         | 2,231   | -                   | (15,080)   |
| Vehicles                 | (11,600)   | (308)     | 2,377      | -         | (41)    | -                   | (9,572)    |
| Right of use (*)         | (40,565)   | (3,052)   | -          | -         | (1,890) | 22                  | (45,485)   |
|                          | (407,851)  | (13,773)  | 2,501      | -         | 1,570   | 22                  | (417,531)  |
|                          |            |           |            |           |         |                     |            |
| Net value                | 319,119    | 9,828     | (639)      | -         | 1,342   | 1,534               | 331,184    |

(\*) see note 19.a

| Cost                     | Consolidated |           |            |           |                              |                  | 12/31/2023 |
|--------------------------|--------------|-----------|------------|-----------|------------------------------|------------------|------------|
|                          | 12/31/2022   | Additions | Write-offs | Transfers | Exchange rate gains (losses) | IFRS 16 / CPC 06 |            |
| Land                     | 25,443       | -         | -          | -         | 79                           | -                | 25,522     |
| Buildings (**)           | 121,834      | 1,224     | (23,849)   | -         | (7,243)                      | -                | 91,966     |
| Machinery and equipment  | 406,304      | 59,339    | (6,876)    | 1,122     | 3,720                        | -                | 463,609    |
| Facilities               | 6,388        | 142       | (139)      | -         | -                            | -                | 6,391      |
| Improvements             | 4,194        | 20        | -          | 395       | -                            | -                | 4,609      |
| Furniture and fixtures   | 21,068       | 1,446     | (19)       | -         | (384)                        | -                | 22,111     |
| Vehicles                 | 16,909       | 1,039     | (2,682)    | -         | (2,644)                      | -                | 12,622     |
| Right of use (*)         | 64,279       | -         | -          | -         | (866)                        | 22,348           | 85,761     |
| Construction in progress | 7,297        | 10,508    | (1,724)    | (1,517)   | (185)                        | -                | 14,379     |
|                          | 673,716      | 73,718    | (35,289)   | -         | (7,523)                      | 22,348           | 726,970    |

| Depreciation            | 12/31/2022 | Additions | Write-offs | Transfers | Exchange rate gains (losses) | IFRS 16 / CPC 06 | 12/31/2023 |
|-------------------------|------------|-----------|------------|-----------|------------------------------|------------------|------------|
| Buildings               | (55,173)   | (4,671)   | 8,498      | -         | 3,567                        | -                | (47,779)   |
| Machinery and equipment | (257,588)  | (27,925)  | 4,087      | -         | (889)                        | -                | (282,315)  |
| Facilities              | (4,401)    | (494)     | 130        | -         | -                            | -                | (4,765)    |
| Improvements            | (3,784)    | (73)      | -          | -         | -                            | -                | (3,857)    |
| Furniture and fixtures  | (15,420)   | (1,407)   | 15         | -         | (158)                        | -                | (16,970)   |
| Vehicles                | (10,845)   | (2,363)   | 1,531      | -         | 77                           | -                | (11,600)   |
| Right of use (*)        | (32,135)   | (11,455)  | -          | -         | 805                          | 2,220            | (40,565)   |
|                         | (379,346)  | (48,388)  | 14,261     | -         | 3,402                        | 2,220            | (407,851)  |

|           |         |        |          |   |         |        |         |
|-----------|---------|--------|----------|---|---------|--------|---------|
| Net value | 294,370 | 25,330 | (21,028) | - | (4,121) | 24,568 | 319,119 |
|-----------|---------|--------|----------|---|---------|--------|---------|

(\*) see note 19.a

(\*\*) Impairment of the industrial unit of Pernambuco, which is explained by the discontinuation of the operation

The remaining useful lives of the items of property, plant and equipment are annually reviewed. In the last review as at December 31, 2023, there was no need for changes.

**Revaluation of property, plant and equipment** - In November 2005, a partial voluntary revaluation of machinery, equipment and vehicles (of the parent company) was made by a specialized company based on the current replacement cost.

The revaluation result was incorporated into the revalued assets as an offset against the “Revaluation reserve”, net of tax effects, in equity. With the transformation of the Company into a corporation, the realization of the revaluation reserve is being added to profit (loss) at the end of each year for the purpose of calculating the minimum mandatory dividends.

## 14 Intangible assets

| Parent company              |                        |                 |              |            |           |                 |
|-----------------------------|------------------------|-----------------|--------------|------------|-----------|-----------------|
| Cost                        | Useful life -<br>Years | 12/31/2023      | Additions    | Write-offs | Transfers | 03/31/2024      |
| Indefinite useful life      |                        |                 |              |            |           |                 |
| Trademark and patents       |                        | 232             | -            | -          | -         | 232             |
| Finite useful life          |                        |                 |              |            |           |                 |
| Software                    | 5                      | 11,498          | 392          | -          | -         | 11,890          |
| Development of new products | 5                      | 19,553          | -            | -          | -         | 19,553          |
|                             |                        | <u>31,283</u>   | <u>392</u>   | <u>-</u>   | <u>-</u>  | <u>31,675</u>   |
| Amortization                | Useful life -<br>Years | 12/31/2023      | Additions    | Write-offs | Transfers | 03/31/2024      |
| Finite useful life (*)      |                        |                 |              |            |           |                 |
| Software                    | 5                      | (9,667)         | (228)        | -          | -         | (9,895)         |
| Development of new products | 5                      | (16,545)        | (123)        | -          | -         | (16,668)        |
|                             |                        | <u>(26,212)</u> | <u>(351)</u> | <u>-</u>   | <u>-</u>  | <u>(26,563)</u> |
| Net value                   |                        | <u>5,071</u>    | <u>41</u>    | <u>-</u>   | <u>-</u>  | <u>5,112</u>    |

| Parent company              |                        |                 |                |            |           |                 |
|-----------------------------|------------------------|-----------------|----------------|------------|-----------|-----------------|
| Cost                        | Useful life -<br>Years | 12/31/2022      | Additions      | Write-offs | Transfers | 12/31/2023      |
| Indefinite useful life      |                        |                 |                |            |           |                 |
| Trademark and patents       |                        | 232             | -              | -          | -         | 232             |
| Finite useful life          |                        |                 |                |            |           |                 |
| Software                    | 5                      | 10,948          | 550            | -          | -         | 11,498          |
| Development of new products | 5                      | 18,327          | 1,226          | -          | -         | 19,553          |
|                             |                        | <u>29,507</u>   | <u>1,776</u>   | <u>-</u>   | <u>-</u>  | <u>31,283</u>   |
| Amortization                | Useful life -<br>Years | 12/31/2022      | Additions      | Write-offs | Transfers | 12/31/2023      |
| Finite useful life (*)      |                        |                 |                |            |           |                 |
| Software                    | 5                      | (8,705)         | (962)          | -          | -         | (9,667)         |
| Development of new products | 5                      | (15,659)        | (886)          | -          | -         | (16,545)        |
|                             |                        | <u>(24,364)</u> | <u>(1,848)</u> | <u>-</u>   | <u>-</u>  | <u>(26,212)</u> |
| Net value                   |                        | <u>5,143</u>    | <u>(72)</u>    | <u>-</u>   | <u>-</u>  | <u>5,071</u>    |

| Consolidated                    |                        |                 |                |            |           |              |                  |
|---------------------------------|------------------------|-----------------|----------------|------------|-----------|--------------|------------------|
| Cost                            | Useful life -<br>Years | 12/31/2023      | Additions      | Write-offs | Transfers | CTA          | 03/31/2024       |
| Indefinite useful life          |                        |                 |                |            |           |              |                  |
| Goodwill                        |                        | 133,462         | -              | -          | -         | (2)          | 133,460          |
| Trademark and patents           |                        | 232             | -              | -          | -         | -            | 232              |
| Finite useful life              |                        |                 |                |            |           |              |                  |
| Intangible assets-Metalfrio-USA | 15                     | 5,559           | -              | -          | -         | 178          | 5,737            |
| Trademark and patents           | 3                      | 9,548           | 303            | -          | -         | 328          | 10,179           |
| Software                        | 5                      | 15,717          | 442            | -          | -         | 217          | 16,376           |
| Development of new products     | 5                      | 77,324          | -              | -          | -         | 1,864        | 79,188           |
| Others                          | 5                      | 1,245           | 10             | -          | -         | (115)        | 1,140            |
|                                 |                        | <u>243,087</u>  | <u>755</u>     | <u>-</u>   | <u>-</u>  | <u>2,470</u> | <u>246,312</u>   |
|                                 |                        |                 |                |            |           |              |                  |
| Amortization                    | Useful life -<br>Years | 12/31/2023      | Additions      | Write-offs | Transfers | CTA          | 03/31/2024       |
| Indefinite useful life          |                        |                 |                |            |           |              |                  |
| Goodwill                        |                        | (10,841)        | -              | -          | -         |              | (10,841)         |
| Finite useful life (*)          |                        |                 |                |            |           |              |                  |
| Intangible assets-Metalfrio-USA | 15                     | (5,558)         | -              | -          | -         | (178)        | (5,736)          |
| Trademark and patents           | 3                      | (6,999)         | (349)          | -          | -         | (89)         | (7,437)          |
| Software                        | 5                      | (13,638)        | (364)          | -          | -         | (208)        | (14,210)         |
| Development of new products     | 5                      | (60,887)        | (1,377)        | -          | -         | 186          | (62,078)         |
| Others                          | 5                      | (1,041)         | (42)           | -          | -         | 11           | (1,072)          |
|                                 |                        | <u>(98,964)</u> | <u>(2,132)</u> | <u>-</u>   | <u>-</u>  | <u>(278)</u> | <u>(101,374)</u> |
|                                 |                        |                 |                |            |           |              |                  |
| Net value                       |                        | <u>144,123</u>  | <u>(1,377)</u> | <u>-</u>   | <u>-</u>  | <u>2,192</u> | <u>144,938</u>   |

( \* ) Straight-line amortization method and amortization were recognized in the following line items of the statement of profit or loss: Cost of sales, selling expenses and administrative expenses.

| Consolidated                    |                        |                 |                |                 |                                    |                 |
|---------------------------------|------------------------|-----------------|----------------|-----------------|------------------------------------|-----------------|
| Cost                            | Useful life -<br>Years | 12/31/2022      | Additions      | Write-offs      | Exchange<br>rate gains<br>(losses) | 12/31/2023      |
| Indefinite useful life          |                        |                 |                |                 |                                    |                 |
| Goodwill                        |                        | 133,303         | -              | (37)            | 196                                | 133,462         |
| Trademark and patents           |                        | 232             | -              | -               | -                                  | 232             |
| Finite useful life              |                        |                 |                |                 |                                    |                 |
| Intangible assets-Metalfrío-USA | 15                     | 5,991           | -              | -               | (432)                              | 5,559           |
| Trademark and patents           | 3                      | 5,847           | 3,745          | -               | (44)                               | 9,548           |
| Software                        | 5                      | 24,111          | 776            | (8,686)         | (484)                              | 15,717          |
| Development of new products     | 5                      | 71,949          | 7,581          | (1,811)         | (395)                              | 77,324          |
| Others                          | 5                      | 1,262           | -              | -               | (17)                               | 1,245           |
|                                 |                        | <u>242,695</u>  | <u>12,102</u>  | <u>(10,534)</u> | <u>(1,176)</u>                     | <u>243,087</u>  |
| Amortization                    |                        |                 |                |                 |                                    |                 |
|                                 |                        | 12/31/2022      | Additions      | Write-offs      | Exchange<br>rate gains<br>(losses) | 12/31/2023      |
| Indefinite useful life          |                        |                 |                |                 |                                    |                 |
| Goodwill                        |                        | (10,841)        | -              | -               | -                                  | (10,841)        |
| Finite useful life (*)          |                        |                 |                |                 |                                    |                 |
| Intangible assets-Metalfrío-USA | 15                     | (5,990)         | -              | -               | 432                                | (5,558)         |
| Trademark and patents           | 3                      | (5,573)         | (1,322)        | -               | (104)                              | (6,999)         |
| Software                        | 5                      | (15,541)        | (1,991)        | 3,764           | 130                                | (13,638)        |
| Development of new products     | 5                      | (54,161)        | (5,496)        | 23              | (1,253)                            | (60,887)        |
| Others                          | 5                      | (873)           | (180)          | -               | 12                                 | (1,041)         |
|                                 |                        | <u>(92,979)</u> | <u>(8,989)</u> | <u>3,787</u>    | <u>(783)</u>                       | <u>(98,964)</u> |
| Net value                       |                        |                 |                |                 |                                    |                 |
|                                 |                        | <u>149,716</u>  | <u>3,113</u>   | <u>(6,747)</u>  | <u>(1,959)</u>                     | <u>144,123</u>  |

(\*) Straight-line amortization method and amortization were recognized in the following line items of the statement of profit or loss: Cost of sales, selling expenses and administrative expenses.

The Company's Management does not expect material changes in the assessment of the useful life of intangible assets with finite useful life, made previously.

The amount of goodwill refers to the acquisition of the following subsidiaries: Klimasan, Metalfrío – Mexico and Sabcool. This goodwill is not amortized for accounting purposes and is tested annually for impairment.

## 15 Trade payables

|                    | Parent company |               | Consolidated   |                |
|--------------------|----------------|---------------|----------------|----------------|
|                    | 03/31/2024     | 12/31/2023    | 03/31/2024     | 12/31/2023     |
| Domestic customers | 92,786         | 85,686        | 344,509        | 310,642        |
| Foreign customers  | 2,853          | 4,303         | 66,744         | 80,645         |
|                    | <u>95,639</u>  | <u>89,989</u> | <u>411,253</u> | <u>391,287</u> |

## 16 Borrowings and debentures

|  | Contractual rates %                       | Maturities           | Parent company |            |
|--|---|----------------------|----------------|------------|
|  |   |                      | 03/31/2024     | 12/31/2023 |
| <b>Borrowings in Reais</b>                     |   |                      |                |            |
| Bank Credit Certificate - CCB                  | 100% CDI + 1.4301% p.a.<br>and 4.00% p.a. | Jan/2025 to Feb/2027 | 33,342         | 341,648    |
| Loan assignment                                | 0.56% to 1.1% p.m.                        | Apr/2024 to Dec/2024 | 106,304        | 171,586    |
| FRN  | 4.3% to 4.6% p.a.+ 100%<br>CDI            | Jan/2022 to Oct/2022 | -              | 173,083    |
| NCE  | 5.2% p.a. + 100% CDI                      | May/2023             | -              | 139,675    |
| Leasing  | 11.90% p.a.                               | Apr/2024 to Nov/2026 | 315            | 350        |
| Subtotal in Reais                              |   |                      | 139,961        | 826,342    |
| <b>Debentures</b>                              |   |                      |                |            |
| Debentures                                     | 3.50% p.a. + 100% CDI                     | Dec/2022             | -              | 124,478    |
| Subtotal in Reais                              |   |                      | -              | 124,478    |
| Total in Reais                                 |   |                      | 139,961        | 950,820    |
| <b>Borrowings in foreign currency</b>          |   |                      |                |            |
| Advance on Exchange Contract (ACC)<br>(Dollar) | 9.70% p.a.                                | Dec/2023             | -              | 231        |
| Advance on Export Contract (ACE) (Dollar)      | 9.07% p.a.                                | May/2024             | 4,552          | 3,845      |
| Total in foreign currency                      |   |                      | 4,552          | 4,076      |
| <b>Total</b>                                   |   |                      | 144,513        | 954,896    |
| <b>Current</b>                                 |   |                      | 113,624        | 954,896    |
| <b>Noncurrent</b>                              |   |                      | 30,889         | -          |



|   |   |                      | Consolidated |            |
|---|---|----------------------|--------------|------------|
|   | Contractual rates %   | Maturities           | 03/31/2024   | 12/31/2023 |
| <b>Borrowings in Reais</b>                  |   |                      |              |            |
| Bank Credit Certificate - CCB               | 100% CDI + 1.4301% p.a. and 4.00% p.a.                                    | Jan/2025 to Feb/2027 | 33,342       | 341,648    |
| Loan assignment                             | 0.56% to 1.1% p.m.  | Apr/2024 to Dec/2024 | 106,304      | 171,586    |
| FRN   | 4.3% to 4.6% p.a. + 100% CDI  | Jan/2022 to Oct/2022 | -            | 173,083    |
| NCE   | 5.2% p.a. + 100% CDI  | May/23               | -            | 139,675    |
| Leasing                                     | 11.90% p.a.   | Apr/2024 to Nov/2026 | 315          | 350        |
| Subtotal in Reais                           |   |                      | 139,961      | 826,342    |
| <b>Debentures</b>                           |   |                      |              |            |
| Debentures                                  | 3.50% p.a. + 100% CDI   | Dec/2022             | -            | 124,478    |
| Subtotal in Reais                           |   |                      | -            | 124,478    |
| <b>Borrowings of subsidiaries</b>           |   |                      |              |            |
| Loan assignment                             | 6.63% p.a. to 14.25% p.a. and fixed rate 100% CDI                         | Apr/2024 to Apr/2026 | 23,310       | 21,821     |
| Total in Reais                              |   |                      | 23,310       | 21,821     |
| Total in Reais                              |   |                      | 163,271      | 972,641    |
| <b>Borrowings in foreign currency</b>       |   |                      |              |            |
| Advance on Exchange Contract (ACC) (Dollar) | 9.7% p.a.   | Dec/2023             | -            | 231        |
| Advance on Export Contract (ACE) (Dollar)   | 9.07% p.a.  | May/2024             | 4,552        | 3,845      |
| Working capital (Dollar)                    | 1.81% p.a.  | Apr/2024 to Nov/2032 | 56,445       | 55,695     |
| Loan assignment (Dollar)                    | 3.00% p.a. and 14% + (a) Libor and (c) TIE                                | Apr/2023 to Jul/2024 | 27,839       | 15,636     |
| Working capital (Euro)                      | 3.50% p.a. to 12.00 p.a. + (b) Semiannual Euribor and 2.60% to 5.75% p.a. | Apr/2024 to Jan/2028 | 317,775      | 283,724    |
| Working capital (Turkish lira)              | 8.61% to 44.50% p.a.  | Apr/2024 to Mar/2025 | 142,343      | 143,904    |
| Working capital (Russian Ruble)             | 19.98% p.a.   | Apr/2024 to Mar/2025 | 13,146       | 13,808     |
| Working capital (Mexican Pesos)             | 21.7% p.a.  | Apr/2024 to Aug/2026 | 8,623        | 8,898      |
| Total in foreign currency                   |   |                      | 570,723      | 525,741    |
| <b>Total</b>                                |   |                      | 733,994      | 1,498,382  |
| <b>Total current</b>                        |   |                      | 553,673      | 1,279,866  |
| <b>Total noncurrent</b>                     |   |                      | 180,321      | 218,516    |

- (a) London Interbank Offered Rate - Libor.  
(b) Euro Interbank Offered Rate - Euribor.  
(c) Tasa de Interés Interbancaria de Equilibrio - TIE.

The main borrowings of the group are as follows:

Bank credit note – CCB – Credit line obtained by the Parent company in Reais for working capital purposes.

Assignment of receivables with co-obligation – Refers to obligations related to assignment of receivables, whose risk of collection from customers was not transferred to the financial institutions.

Floating rate note – FRN – Credit line obtained by the Parent company in Reais for working capital purposes.

Export credit note – NCE – Credit line obtained by the Parent company in Reais for use of the amounts in export activities.

Working capital (Dollar and Euro) - Funds obtained by the Company's subsidiaries from banks abroad for working capital purposes.

Working capital (Mexican Peso) - Funds obtained by the subsidiary Metalfrio – Mexico in an operation (Rent to rent) guaranteed by collateral assignment of the plant (building).

Working capital (Russian Ruble) - Funds obtained by the Company's subsidiary in Russia from local banks for working capital purposes.

Part of the borrowings are collateralized by promissory notes and have no covenants.

Long-term amounts may be broken down by year of maturity:

|                                     | Parent company    |                   | Consolidated      |                   |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Year of maturity                    | <b>03/31/2024</b> | <b>12/31/2023</b> | <b>03/31/2024</b> | <b>12/31/2023</b> |
| 2025                                | 93                | 496               | 11,559            | 90,878            |
| 2026                                | 51                | -                 | 85,465            | 73,552            |
| 2027                                | 30,745            | -                 | 37,308            | 6,591             |
| 2028 to 2032                        | -                 | -                 | 45,989            | 47,495            |
|                                     | <u>30,889</u>     | <u>496</u>        | <u>180,321</u>    | <u>218,516</u>    |
| Total noncurrent                    | 30,889            | -                 | 180,321           | 218,516           |
| Portion reclassified to current (*) | -                 | 954,400           | -                 | 954,400           |
|                                     | <u>30,889</u>     | <u>954,400</u>    | <u>180,321</u>    | <u>1,172,916</u>  |

( \* ) Reclassification in the Parent company due to overdue debt installments. Through the private capital increase in the first quarter of 2024 this debt was subscribed and paid up.

Changes in borrowings and debentures:

|  | Parent company | Consolidated |
|--|----------------|--------------|
| Closing balance as at December 31, 2023  | 954,896        | 1,498,382    |
| Borrowings   | 80,497         | 226,167      |
| Payments of principal  | (142,095)      | (249,922)    |
| Payments of interest   | (4,235)        | (10,668)     |
| Capital increase   | (743,000)      | (743,000)    |
| Accrued interest recognized in profit or loss  | (1,669)        | 6,390        |
| Exchange rate gains (losses) recognized in profit or loss  | 119            | (1,634)      |
| Exchange rate gains from (losses on) translation of balances in the statement of financial position recognized in other comprehensive income | -              | 8,279        |
| Closing balance as at March 31, 2024   | 144,513        | 733,994      |

|  | Parent company | Consolidated |
|--|----------------|--------------|
| Closing balance as at December 31, 2022  | 890,658        | 1,505,237    |
| Borrowings   | 512,632        | 1,504,048    |
| Payments of principal  | (537,847)      | (1,512,686)  |
| Payments of interest   | (4,032)        | (76,743)     |
| Accrued interest recognized in profit or loss  | 94,078         | 167,669      |
| Exchange rate gains (losses) recognized in profit or loss  | (593)          | (70,589)     |
| Exchange rate gains from (losses on) translation of balances in the statement of financial position recognized in other comprehensive income | -              | (18,554)     |
| Closing balance as at December 31, 2023  | 954,896        | 1,498,382    |

The line item “Borrowings and debentures” in the ITR form is presented as “Loans and financing”.

During the year ended December 31, 2022, the Company contracted a financing with Cartos Sociedade de Crédito Direto S.A. (“Cartos”) in the amount of R\$124,375 as a CCB. On May 19, 2022, the Board of Directors approved the granting to Cartos of shares of subsidiaries Metalfrio Turkey and Begur, and the building of the industrial unit of Três Lagoas (Mato Grosso do Sul) as collateral. With the private capital increase approved on February 19, 2024, through which such debt was subscribed and paid up, these guarantees were canceled.

## 17 Taxes payable

|   | Parent company |               | Consolidated  |               |
|---|----------------|---------------|---------------|---------------|
|   | 03/31/2024     | 12/31/2023    | 03/31/2024    | 12/31/2023    |
| Federal excise tax (IPI)                          | -              | 137           | -             | 137           |
| Taxes on revenue (PIS and COFINS)                 | 840            | 1,932         | 964           | 2,126         |
| Income tax and social contribution                | 224            | 447           | 10,823        | 10,102        |
| Valued-added tax on sales and services (ICMS)     | 800            | 839           | 1,261         | 1,388         |
| Valued-added tax (VAT) - international operations | -              | -             | 11,171        | 9,011         |
| Installment payment of taxes                      | 7,550          | 7,704         | 7,595         | 7,834         |
| Others  | 6,159          | 5,374         | 8,056         | 5,928         |
| <b>Total</b>                                      | <b>15,573</b>  | <b>16,433</b> | <b>39,870</b> | <b>36,526</b> |
| Total current                                     | 10,082         | 10,703        | 34,334        | 30,734        |
| Total noncurrent                                  | 5,491          | 5,730         | 5,536         | 5,792         |

## 18 Other provisions

|  | Parent company |               | Consolidated  |               |
|--|----------------|---------------|---------------|---------------|
|  | 03/31/2024     | 12/31/2023    | 03/31/2024    | 12/31/2023    |
| Commissions payable to representatives         | 1,912          | 2,034         | 1,962         | 2,036         |
| Guarantees                                     | 20,836         | 22,082        | 34,548        | 33,922        |
| Provisions for personnel                       | 7,704          | 7,903         | 12,893        | 11,989        |
| Sales bonuses                                  | 9,718          | 9,255         | 10,778        | 9,255         |
| Other commercial obligations                   | -              | 65            | 4,645         | 1,472         |
| Other administrative/restructuring obligations | 5,144          | 5,144         | 9,423         | 8,083         |
| <b>Total</b>                                   | <b>45,314</b>  | <b>46,483</b> | <b>74,249</b> | <b>66,757</b> |

Changes in other provisions are presented in the table below:

|  | Parent company           |   |                |
|--|--------------------------|---|----------------|
|  | Balance as at 12/31/2023 | Additions / Write-offs with effect on P&L | Use            |
| Commissions payable to representatives         | 2,034                    | 2,283                                     | (2,405)        |
| Guarantees                                     | 22,082                   | (1,246)                                   | -              |
| Provisions for personnel                       | 7,903                    | (199)                                     | -              |
| Sales bonuses                                  | 9,255                    | 1,282                                     | (819)          |
| Other commercial obligations                   | 65                       | (65)                                      | -              |
| Other administrative/restructuring obligations | 5,144                    | -   | -              |
|  | <b>46,483</b>            | <b>2,055</b>                              | <b>(3,224)</b> |

|  | Consolidated                |  |                |                                 |               |
|--|-----------------------------|--|----------------|---------------------------------|---------------|
|  | Balance as at<br>12/31/2023 | Additions / Write-offs<br>with effect on P&L | Use            | Exchange rate<br>gains (losses) | 03/31/2024    |
| Commissions payable to representatives         | 2,036                       | 2,328  | (2,405)        | 3                               | 1,962         |
| Guarantees                                     | 33,922                      | 172  | -              | 454                             | 34,548        |
| Provisions for personnel                       | 11,989                      | 755  | -              | 149                             | 12,893        |
| Sales bonuses                                  | 9,255                       | 1,867  | (347)          | 3                               | 10,778        |
| Other commercial obligations                   | 1,472                       | 3,088  | -              | 85                              | 4,645         |
| Other administrative/restructuring obligations | 8,083                       | 1,188  | -              | 152                             | 9,423         |
|  | <u>66,757</u>               | <u>9,398</u>                                 | <u>(2,752)</u> | <u>846</u>                      | <u>74,249</u> |

Warranties: the amount of the provision for warranties, required to face the liability assumed with respect to the equipment under warranty, is calculated based on the number of products under warranty and on the term of each warranty granted for these products. The average frequency of assistance per product and the average cost per technical services are also taken into consideration.

Provisions for personnel: mainly amounts referring to bonus and profit-sharing plans for employees of the Company and subsidiaries.

Sales bonuses: amounts referring to any payments due to customers based on commercial agreements that provide for volume discounts.

## 19 Right-of-use asset and lease liability

### a. Right-of-use asset (PP&E)

|                         | Parent company |                         |                |                                    |               |
|-------------------------|----------------|-------------------------|----------------|------------------------------------|---------------|
|                         | 12/31/2023     | Addition /<br>Write-off | Depreciation   | Exchange<br>rate gains<br>(losses) | 03/31/2024    |
| Properties              | 16,694         | 480                     | (1,224)        | -                                  | 15,950        |
| Machinery and equipment | 827            | -                       | (469)          | -                                  | 358           |
| Vehicles                | 2,210          | -                       | (144)          | -                                  | 2,066         |
|                         | <u>19,731</u>  | <u>480</u>              | <u>(1,837)</u> | <u>-</u>                           | <u>18,374</u> |

|                         | Consolidated  |                          |                |                                 |               |
|-------------------------|---------------|--------------------------|----------------|---------------------------------|---------------|
|                         | 12/31/2023    | Addition / Write-<br>off | Depreciation   | Exchange rate<br>gains (losses) | 03/31/2024    |
| Properties              | 24,471        | 608                      | (1,686)        | (1,636)                         | 21,757        |
| Machinery and equipment | 16,571        | 955                      | (1,000)        | 387                             | 16,913        |
| Vehicles                | 4,154         | (29)                     | (366)          | 54                              | 3,813         |
|                         | <u>45,196</u> | <u>1,534</u>             | <u>(3,052)</u> | <u>(1,195)</u>                  | <u>42,483</u> |

## b. Lease liability

|  | Parent company | Consolidated |
|--|----------------|--------------|
| Closing balance as at December 31, 2023  | 20,085         | 41,950       |
| Additions (new agreements)   | 480            | 1,640        |
| Contract termination   | -              | (106)        |
| Reversal of adjustment to present value  | 556            | 1,086        |
| Payments   | (1,961)        | (2,948)      |
| Exchange rate gains (losses) recognized in profit or loss  | -              | (165)        |
| Exchange rate gains from (losses on) translation of balances in the statement of financial position recognized in other comprehensive income | -              | (414)        |
| Closing balance as at March 31, 2024   | 19,160         | 41,043       |
| Total current  | 6,487          | 12,961       |
| Total noncurrent   | 12,673         | 28,082       |

The Company and its subsidiaries determined their discount rates based on the risk-free interest rates observed in each market in which they operate for the terms of their contracts, adjusted to the reality of the Company and its subsidiaries (credit spread). The spreads were obtained through surveys with potential investors of debt securities. The table below shows the rates applied vis-a-vis the agreement terms:

Contracts by term and discount rate:

|                | Parent company | Consolidated   |
|----------------|----------------|----------------|
| Contract terms | Rate % p.a.    | Rate % p.a.    |
| 2 years        | 8.14           | 8.14 to 10.80  |
| 3 years        | 9.14           | 9.14 to 10.80  |
| 3 years        | 10.06          | 10.06 to 10.80 |
| 10 years       | 8.14           | 2.5 to 8.14    |

## Amortization schedule

Amortization schedules for the parent company and consolidated are presented below, by year of maturity:

|                          | Parent company | Consolidated |
|--------------------------|----------------|--------------|
| Maturity of installments | 03/31/2024     | 03/31/2024   |
| 2024                     | 6,487          | 12,961       |
| 2025                     | 2,738          | 6,512        |
| 2026                     | 2,242          | 5,834        |
| 2027                     | 1,923          | 5,147        |
| 2028 to 2032             | 5,770          | 10,589       |
| Total                    | 19,160         | 41,043       |
| Current liabilities      | 6,487          | 12,961       |
| Noncurrent liabilities   | 12,673         | 28,082       |

Below we present a table indicating the potential right to recoverable PIS/COFINS included in the lease consideration, according to the periods set for payment. The Company recognized lease liabilities at the present value of installments due, that is, including any tax credits to which it will be entitled upon payment of the leases.

| <b>Cash Flows - Parent company</b> | <b>Nominal</b> | <b>Adjusted to Present Value</b> |
|------------------------------------|----------------|----------------------------------|
| Lease consideration                | 2,767          | 2,351                            |
| Pis /Cofins                        | 256            | 217                              |

In the quarter ended March 31, 2024, R\$904 and R\$1,559 were recognized as rental costs in the individual and consolidated financial information, respectively, resulting from unrecognized leases due to their short-term or low-value characteristics.

## 20 Provision for risks

The Company and its subsidiaries are defendants in judicial and administrative proceedings in various courts and government agencies, arising from the normal course of operations, involving tax, labor, civil and other matters.

Considering the assessment of the administrative and legal proceedings in progress classified as probable, possible or remote loss by our legal advisors, the Company recognized a provision for probable losses. Accordingly, a contingency is recognized when (a) the Company has a legal or constructive obligation as a result of a past event; (b) it is probable that funds will be required to settle the obligation; and (c) the amount of the obligation can be reliably estimated. The provisions are recognized based on the best estimates of the risks involved and analyzed on a case-by-case basis, in accordance with consultations made with the Company's legal advisors and external legal advisors. Changes in the provision between December 31, 2023 and March 31, 2024 are as follows:

|                | Parent company |            |                |               |
|----------------|----------------|------------|----------------|---------------|
|                | 12/31/2023     | Additions  | Use            | 03/31/2024    |
| Labor          | 7,874          | 450        | (1,223)        | 7,101         |
| Civil          | 6,605          | 150        | (313)          | 6,442         |
| Court deposits | (192)          | (13)       | -              | (205)         |
|                | <u>14,287</u>  | <u>587</u> | <u>(1,536)</u> | <u>13,338</u> |

|                | Consolidated  |            |                |  |               |
|----------------|---------------|------------|----------------|--|---------------|
|                | 12/31/2023    | Additions  | Use            | Exchange<br>rate gains<br>(losses) (*) | 03/31/2024    |
| Labor          | 8,466         | 779        | (1,383)        | 5                                      | 7,867         |
| Civil          | 6,827         | 150        | (394)          | 3                                      | 6,586         |
| Court deposits | (192)         | (13)       | -              | -                                      | (205)         |
|                | <u>15,101</u> | <u>916</u> | <u>(1,777)</u> | <u>8</u>                               | <u>14,248</u> |

(\*) Recognized in other comprehensive income

|                | Parent company |              |                |               |
|----------------|----------------|--------------|----------------|---------------|
|                | 12/31/2022     | Additions    | Use            | 12/31/2023    |
| Labor          | 9,205          | 1,800        | (3,131)        | 7,874         |
| Civil          | 6,252          | 2,000        | (1,647)        | 6,605         |
| Court deposits | (203)          | (22)         | 33             | (192)         |
|                | <u>15,254</u>  | <u>3,778</u> | <u>(4,745)</u> | <u>14,287</u> |

|                | Consolidated  |              |                |  |               |
|----------------|---------------|--------------|----------------|--|---------------|
|                | 12/31/2022    | Additions    | Use            | Exchange<br>rate gains<br>(losses) (*) | 12/31/2023    |
| Labor          | 9,770         | 2,096        | (3,373)        | (27)                                   | 8,466         |
| Civil          | 6,633         | 2,070        | (1,854)        | (22)                                   | 6,827         |
| Court deposits | (203)         | (22)         | 33             | -                                      | (192)         |
|                | <u>16,200</u> | <u>4,144</u> | <u>(5,194)</u> | <u>(49)</u>                            | <u>15,101</u> |

(\*) Recognized in other comprehensive income

The Company and its subsidiaries are parties to labor, tax and civil lawsuits involving risks of losses classified by Management in accordance with its external legal advisors as possible, for which no provision was recognized. The amount informed by the legal advisors as at March 31, 2024 is R\$5,495 with respect to labor lawsuits (R\$5,125 as at December 31, 2023), R\$169,008 with respect to tax lawsuits (R\$164,901 as at December 31, 2023), and R\$16,640 with respect to civil lawsuits (R\$13,659 as at December 31, 2023).



In October 2021, the Company received two infraction notices related to the purchase of performances to settle export financing transactions in the total amount of R\$143,365. The Company and its legal advisors understand that these notices may be reversed, resulting in possible likelihood of loss as at March 31, 2024. No accounting provision has been recorded at the current stage of the defense.

## 21 Other payables – noncurrent

|                       | Parent company |            | Consolidated |            |
|-----------------------|----------------|------------|--------------|------------|
|                       | 03/31/2024     | 12/31/2023 | 03/31/2024   | 12/31/2023 |
| Actuarial liabilities | 3,303          | 3,303      | 24,121       | 19,465     |
| Total                 | 3,303          | 3,303      | 24,121       | 19,465     |

### Changes in actuarial liabilities

|  | Parent company | Consolidated |
|--|----------------|--------------|
| Closing balance as at December 31, 2023                          | 3,303          | 19,465       |
| Cost of services - recognized in profit or loss                  | -              | 2,914        |
| Interest - recognized in profit or loss                          | -              | 3,257        |
| Payments   | -              | (834)        |
| Actuarial gain (loss) - recognized in other comprehensive income | -              | (613)        |
| Exchange rate gains (losses)                                     | -              | (68)         |
| Closing balance as at March 31, 2024                             | 3,303          | 24,121       |

|  | Parent company | Consolidated |
|--|----------------|--------------|
| Closing balance as at December 31, 2022                          | 3,366          | 20,867       |
| Cost of services - recognized in profit or loss                  | 65             | 6,362        |
| Interest - recognized in profit or loss                          | 398            | 4,511        |
| Payments   | -              | (11,911)     |
| Actuarial gain (loss) - recognized in other comprehensive income | (526)          | 4,086        |
| Exchange rate gains (losses)                                     | -              | (4,450)      |
| Closing balance as at December 31, 2023                          | 3,303          | 19,465       |

Actuarial liabilities derived from healthcare plan, retirement and severance pay were calculated by independent actuaries based on the following key assumptions:

|                              | Parent company |            | Consolidated |            |
|------------------------------|----------------|------------|--------------|------------|
|                              | 03/31/2024     | 12/31/2023 | 03/31/2024   | 12/31/2023 |
| <b>Healthcare plans</b>      |                |            |              |            |
| Discount rate                | 5.4%           | 5.4%       | 5.4%         | 5.4%       |
| Inflation rate               | 3.9%           | 3.9%       | 3.9%         | 3.9%       |
| Medical inflation rate       | 3.0%           | 3.0%       | 3.0%         | 3.0%       |
| Growth rate of medical costs | 3.1%           | 3.1%       | 3.1%         | 3.1%       |
| Salary growth rate           | 3.0%           | 3.0%       | 3.0%         | 3.0%       |
| Turnover                     | 5.1%           | 5.1%       | 5.1%         | 5.1%       |
| <b>Retirement</b>            |                |            |              |            |
| Discount rate                | -              | -          | 1.1%         | 1.1%       |
| Inflation rate               | -              | -          | 23.6%        | 23.6%      |
| Interest rate                | -              | -          | 13.2%        | 13.2%      |
| Salary growth rate           | -              | -          | 5.1%         | 5.1%       |
| Turnover rate                | -              | -          | 15.0%        | 15.0%      |
| <b>Severance pay</b>         |                |            |              |            |
| Discount rate                | -              | -          | 9.3%         | 9.3%       |
| Inflation rate               | -              | -          | 3.8%         | 3.8%       |
| Salary growth rate           | -              | -          | 5.3%         | 5.3%       |
| Turnover rate                | -              | -          | 20.0%        | 20.0%      |

## 22 Equity (net capital deficiency)

Consolidated equity as at March 31, 2024 was positive by R\$423,291, compared to negative R\$330,162 as at December 31, 2023, change explained by the private capital increase.

On June 21, 2023, WNT Gestora de Recursos Ltda. (“WNT”), administrator of funds holding approximately 80% of the financial debt (except transactions involving the transfer of funds from the Brazilian Development Bank (BNDES) and Advances on Exchange Contracts (ACC)/Advances on Export Contracts (ACE)) of Metalfrio (“Financial Debt”), informed the Company of its proposal for the use of credits from the Financial Debt in the subscription and payment of new shares issued by the Company.

On November 22, 2023, WNT complemented its proposal and informed its terms and conditions for the use of its credits from the Financial Debt in the subscription and payment of new shares. This proposal was submitted to the Board of Directors, which, at the meeting held on November 23, 2023, approved the call for an Extraordinary General Meeting to discuss the private capital increase in the minimum amount of R\$743,000,000 and the maximum amount of R\$774,000,000, through the issue of registered common shares with no par value, at the issue price of R\$340.90 per share (“Capital Increase”).

On December 18, 2023, the shareholders approved the increase in the Company's capital, and the current shareholders were granted pre-emptive rights for the subscription of the shares to be issued, as well as for the participation in the subscription of a round of remaining shares, for a term of 30 days and 5 days, respectively, after which the financial creditors subscribed an paid up shares related to the Capital Increase with approximately 96% of the Financial Debt credits.

On February 19, 2024, the increase in the Company's capital was completed, with its subsequent approval by the Board of Directors, totaling R\$743,004,845.10, through the issue of 2,179,539 shares, at the issue price of R\$340.90 per share. A portion of the global issue price, in the amount of R\$243,004,845.10, was allocated to capital and R\$500,000,000.00 to establish the capital reserve. Accordingly, the Company's share capital is now R\$487,043,665.63, divided into 6,286,293 common shares.

The implementation of this capital increase aimed at obtaining a more balanced capital structure, improve results and the value of the shares issued by the Company. In addition, the Company informed that the capital increase will not result in changes in the strategy and management of the Company and its subsidiaries.

#### ***a. Share capital***

Common shares are classified as equity.

Minimum mandatory dividends, as defined in the bylaws, are recognized as liabilities, when stated.

The Company's share capital as at March 31, 2024 is R\$487,044 (R\$244,039 as at December 31, 2023) represented by 6,286,293 subscribed and paid-in common shares without par value (4,106,754 common shares as at December 31, 2023).

Each common share is entitled to one vote at the General Meeting.

The ownership structure as at March 31, 2024 is as follows:

| <u>Shareholders</u>                            | <u>Number of<br/>common shares</u> | <u>%</u>      |
|--|------------------------------------|---------------|
| Marcelo Faria de Lima <sup>(1)</sup>           | 2,152,058                          | 34.23         |
| Funds managed by WNT Gestora de Recursos Ltda. | 1,889,816                          | 30.06         |
| Almond Tree LLC <sup>(2)</sup>                 | 1,705,233                          | 27.13         |
| Taiga FIP Multiestratégia                      | 352,010                            | 5.60          |
| Management                                     | 27,119                             | 0.43          |
| Board of Directors                             | 59,335                             | 0.94          |
| Others   | <u>100,722</u>                     | <u>1.61</u>   |
| Total  | <u>6,286,293</u>                   | <u>100.00</u> |

(1) Shares directly and indirectly held by Mr. Marcelo Faria de Lima, member of the Board of Directors, which are held by Rio Verde Consultoria e Participações S.A., Peach Tree LLC and Marcelo Faria de Lima.

(2) Shares indirectly held by Mr. Erwin Theodor Herman Louise Russel.

### ***b. Capital reserve - Stock option***

The Company grants share-based payment plans to certain employees and officers, which are settled with Company shares and according to which the Company receives services as consideration for stock options. The fair value of the stock options granted is recognized as expenses in profit or loss for the period, during the vesting period, upon compliance with certain specific conditions. At the reporting dates, the Company's Management reviews the estimates regarding the number of stock options which should be vested based on the conditions, and, when applicable, Management recognizes the effect arising from the review of these initial estimates in profit or loss for the period against equity. The stock options granted are recorded under capital reserve.

The weighted average fair value of the options granted, determined based on the Black & Scholes valuation model, was R\$9.98 per option (expressed in Reais). The significant data included in the model were: a weighted average share price of R\$55.92 (expressed in Reais) at the grant date, volatility of 14.15%, an expected life of the option corresponding to almost 2 years, as the case may be, and an annual risk-free interest rate of 3.95%. The expected volatility is estimated based on the historical volatility of the average share price.

As at March 31, 2024, the unit market price was R\$310.00 per basic share (R\$240 as at December 31, 2023).

Expenses related to the fair value of the options granted, recorded in profit or loss for the period ended March 31, 2024, based on the vesting period of the options, were R\$272.

Changes in the stock option plan for the period are as follows:

| Grant date | Options granted | Options canceled/lost | Options exercised | Remaining quantity | Exercise price - R\$ per share | Vesting period | Fair value of options – R\$ per share |
|------------|-----------------|-----------------------|-------------------|--------------------|--------------------------------|----------------|---------------------------------------|
| 06/22/2023 | 96,084          | -                     | -                 | <u>96,084</u>      | 55.92                          | 1.8 years      | 9.98                                  |

### ***c. Income reserve - Tax incentive***

In March 2005, the Company entered into agreement No. 624/05 with the Government of the state of Mato Grosso do Sul, which grants ICMS (Value-added tax) tax incentives for setting up the factory in the city of Três Lagoas. This incentive enables the Company to partially reduce the debit balance of ICMS calculated monthly in that state, as established in Complementary Law No. 93, in consideration for the investment commitment with the State, which has already been fully complied with by the Company. Based on Law No. 11,941/09, which governs the application of No. Law 11,638/07, the tax incentive obtained in operations carried out in the period ended March 31, 2024 in the amount of R\$10,137 (R\$10,458 as at March 31, 2023) was recognized in the statement of profit or loss under "Other operating income". As provided for in Article 195-A of Law No. 6,404/76, Management can allocate to the tax incentive reserve a portion of the net profit arising from donations or government grants for investment, which can be excluded from the calculation basis of mandatory dividends.

Additionally, the aforementioned agreement assures the Company the benefit of (i) deferral of payment of ICMS due on the import of machinery and equipment, intended for and connected with the industrial process, until the moment that the sale or interstate shipment of the machinery occurs; (ii) deferral of payment of ICMS related to the difference between the prevailing internal rate and the interstate rate for machinery and equipment intended for and connected with the industrial process, until the moment that the sale or interstate shipment of the machinery occurs; and (iii) deferral of payment of ICMS due on the import of inputs until the moment that the shipment of the product occurs as a result of its further processing. The benefit is valid until December 2032.

***d. Income reserve - Statutory reserve***

The statutory reserve is recognized based on allocation of 5% of the profit for the year, limited to 20% of capital, as required by Article 193 of Law No. 6.404/76.

***e. Income reserve - Revaluation reserve***

On December 19, 2005, the Company decided to recognize the revaluation of its assets. The taxes due on the aforementioned reserve are recognized in noncurrent liabilities.

The revaluation reserve is being realized through depreciation against retained earnings, net of taxes.

***f. Equity valuation adjustments***

The Company recognizes the effect of exchange rate gains from and losses on investments in subsidiaries abroad held directly and indirectly by the Company under this line item. This cumulative effect will be reversed to profit or loss for the year only in the event of disposal or write-off of the investment. Exchange rate gains and losses arising from intercompany loan agreements characterized as net investment with subsidiaries Rome, Metalfrio - Denmark, Metalfrio - Russia and Metalfrio - Mexico and actuarial gains and losses arising from employee benefits are also recognized under this line item.

The changes in Equity valuation adjustments are as follows:

|   | Parent Company<br>and Consolidated |
|---|------------------------------------|
| Closing balance as at December 31, 2023   | (134,342)                          |
| Exchange rate gains from (losses on) translation of balances in the<br>financial statements | 7,536                              |
| Actuarial gain / (loss)   | 316                                |
| Closing balance as at March 31, 2024  | (126,490)                          |

***g. Capital transactions among shareholders***

The Company recognizes under this line item the effects of capital transactions among controlling and noncontrolling shareholders regarding changes in interest in subsidiaries, as long as it does not result in loss of control.

***h. Remuneration to shareholders / dividends***

Shareholders are entitled to minimum dividends of 25% of the adjusted profit in accordance with Brazilian corporation law and the Company's bylaws.

Whenever the amount of the mandatory dividends exceeds the realized portion of profit for the year, Management may propose, and the General Meeting may approve, the distribution of the surplus for the formation of an unrealized profit reserve (Article 197 of Law No. 6.404/76).

The Company may prepare half-yearly or shorter period statements of financial position. Considering the conditions established by law, the Board of Directors may: (i) decide on the distribution of dividends as a charge to the profit account determined in the half-yearly or shorter period statement of financial position for approval by the General Shareholders' Meeting; and (ii) propose interim dividends as a charge to the income reserve account existing in the last annual or half-yearly statement of financial position.

## **23 Basic and diluted earnings (losses) per share**

The calculation of basic and diluted earnings (losses) per share of the parent company is as follows:

| <u>(In thousands of Reais, except for loss per share)</u> | <u>03/31/2024</u> | <u>03/31/2023</u> |
|---|-------------------|-------------------|
| Basic numerator   |                   |                   |
| Profit (loss) available to shareholders                   | <u>2,577</u>      | <u>(26,385)</u>   |
| Denominator   |                   |                   |
| Weighted average of shares - basic                        | 5,559,780         | 4,106,754         |
| Weighted average of shares - diluted (*)                  | 5,655,864         | 4,106,754         |
| Basic profit (loss) per share in (R\$)                    | 0.4635            | (6.4248)          |
| Diluted profit (loss) per share in (R\$)                  | 0.4556            | (6.4248)          |

(\*) For the period ended March 31, 2024, the Company considered a potential increase in shares due to the exercise of stock option plans, as described in note 22.b.

## 24 Net operating revenue

The breakdown of gross operating revenue is as follows:

|                         | Parent company |                | Consolidated   |                |
|-------------------------|----------------|----------------|----------------|----------------|
|                         | 03/31/2024     | 03/31/2023     | 03/31/2024     | 03/31/2023     |
| Gross revenue           | 230,500        | 216,628        | 498,136        | 561,758        |
| Deductions from revenue |                |                |                |                |
| Tax on sales            | (43,043)       | (38,341)       | (55,652)       | (80,107)       |
| Returns and discounts   | (5,506)        | (6,935)        | (8,186)        | (10,770)       |
| Total net revenue       | <u>181,952</u> | <u>171,352</u> | <u>434,298</u> | <u>470,881</u> |

See note 3.6 a) revenue recognition policy and note 5 for a breakdown of operating revenue.

## 25 Operating costs, income and (expenses)

### a) Expenses by nature

|   | Parent company   |                  | Consolidated     |                  |
|---|------------------|------------------|------------------|------------------|
|   | 03/31/2024       | 03/31/2023       | 03/31/2024       | 03/31/2023       |
| Raw material                              | (89,223)         | (85,412)         | (219,634)        | (269,648)        |
| Cost of services (Materials and services) | (29,660)         | (26,963)         | (35,637)         | (35,596)         |
| Personnel expenses                        | (27,894)         | (24,655)         | (98,067)         | (90,579)         |
| Maintenance                               | (1,538)          | (1,174)          | (3,355)          | (1,749)          |
| Electric power                            | (1,162)          | (1,097)          | (3,362)          | (4,625)          |
| Rental                                    | (904)            | (862)            | (1,559)          | (2,022)          |
| Freight, commissions and advertising      | (6,550)          | (6,400)          | (7,613)          | (17,095)         |
| Warranty                                  | (3,800)          | (3,908)          | (7,275)          | (6,686)          |
| Depreciation and amortization             | (4,919)          | (4,991)          | (15,905)         | (12,142)         |
| Third-party services                      | (4,715)          | (3,702)          | (8,224)          | (7,999)          |
| Telephone and communications              | (125)            | (98)             | (367)            | (309)            |
| Travel                                    | (575)            | (449)            | (1,816)          | (1,370)          |
| Other costs                               | (584)            | (551)            | (2,381)          | (2,034)          |
| Other selling expenses                    | (1,310)          | (2,364)          | (7,610)          | (8,454)          |
| Other general and administrative expenses | (505)            | (450)            | (2,477)          | (2,188)          |
| Fees - Management                         | (2,323)          | (1,832)          | (2,323)          | (1,832)          |
| Total                                     | <u>(175,787)</u> | <u>(164,908)</u> | <u>(417,605)</u> | <u>(464,328)</u> |
| Classified as:                            |                  |                  |                  |                  |
| Cost of sales and services                | (148,919)        | (139,201)        | (352,631)        | (393,847)        |
| Selling expenses                          | (14,845)         | (15,700)         | (37,119)         | (45,244)         |
| General and administrative expenses       | (12,023)         | (10,007)         | (27,855)         | (25,237)         |
|   | <u>(175,787)</u> | <u>(164,908)</u> | <u>(417,605)</u> | <u>(464,328)</u> |

b) Other operating income

|                                  | Parent company |            | Consolidated |            |
|----------------------------------|----------------|------------|--------------|------------|
|                                  | 03/31/2024     | 03/31/2023 | 03/31/2024   | 03/31/2023 |
| Tax incentives                   | 10,137         | 10,458     | 10,137       | 10,994     |
| Gain from (loss on) sale of PP&E | -              | -          | 81           | 12         |
| Recovery of taxes                | 152            | 388        | 152          | 3,212      |
| Others                           | 113            | 329        | 2,114        | 2,585      |
| Total                            | 10,402         | 11,175     | 12,484       | 16,803     |

c) Other operating expenses

|                                      | Parent company |            | Consolidated |            |
|--------------------------------------|----------------|------------|--------------|------------|
|                                      | 03/31/2024     | 03/31/2023 | 03/31/2024   | 03/31/2023 |
| Gain from (loss on) sale of PP&E     | -              | -          | (3)          | (33)       |
| Losses on civil lawsuits/indemnities | (150)          | -          | (150)        | -          |
| Others                               | (144)          | (58)       | (608)        | (58)       |
| Total                                | (294)          | (58)       | (761)        | (91)       |

## 26 Financial income (expenses), net

|  | Parent company |            | Consolidated |            |
|--|----------------|------------|--------------|------------|
|  | 03/31/2024     | 03/31/2023 | 03/31/2024   | 03/31/2023 |
| <b>Financial income</b>                          |                |            |              |            |
| Interest on financial investments                | 438            | 187        | 1,358        | 1,634      |
| Changes in fair value - Marketable securities    | -              | -          | 6,037        | 7,261      |
| Interest on loan agreements with related parties | 327            | 332        | -            | -          |
| Other financial income                           | 198            | 202        | 1,640        | 1,312      |
|  | 963            | 721        | 9,035        | 10,207     |
| <b>Financial expenses</b>                        |                |            |              |            |
| Interest on borrowings and leases                | 1,109          | (30,701)   | (14,746)     | (42,797)   |
| Interest on assignment of receivables            | (7,578)        | (9,769)    | (7,615)      | (10,409)   |
| Changes in fair value - Marketable securities    | (576)          | (175)      | (228)        | (584)      |
| Interest on loan agreements with related parties | (2,447)        | (2,573)    | -            | -          |
| Other financial expenses                         | (1,924)        | (3,976)    | (8,468)      | (7,155)    |
|  | (11,416)       | (47,194)   | (31,057)     | (60,945)   |
| <b>Exchange rate gains (losses), net</b>         | (1,076)        | 711        | 5,132        | (1,987)    |
| <b>Financial income (expenses), net</b>          | (11,529)       | (45,762)   | (16,890)     | (52,725)   |



## 27 Financial instruments

The Company and its subsidiaries carry out transactions with financial instruments. In the normal course of its business, the Company is subject to foreign exchange, interest rate, liquidity, commodity price and credit risks, and other risks. The Company analyzes these risks individually and as a whole to define its strategies to manage the financial impact on its performance according to its Financial Risk Management policy approved by the Board of Directors in May 2018 (last update). The main purpose is to establish guidelines, limits, attributions and procedures to be adopted in the processes of acquisition, control, valuation and monitoring of financial transactions involving risks. The control consists of ongoing monitoring of the contractual conditions against prevailing market conditions.

All transactions with financial instruments are recognized in the Company's financial statements, as follows:

### Financial instruments classified by category

|                                       | Parent company                    |                  |                  |                                   |                  |                  |
|---------------------------------------|-----------------------------------|------------------|------------------|-----------------------------------|------------------|------------------|
|                                       | 03/31/2024                        |                  |                  | 12/31/2023                        |                  |                  |
|                                       | Fair value through profit or loss | Amortized cost   | Total            | Fair value through profit or loss | Amortized cost   | Total            |
| <b>Assets</b>                         |                                   |                  |                  |                                   |                  |                  |
| Financial investments                 | -                                 | -                | -                | 31,193                            | -                | 31,193           |
| Marketable securities                 | 7,950                             | -                | 7,950            | 8,460                             | -                | 8,460            |
| Trade receivables                     | -                                 | 173,804          | 173,804          | -                                 | 231,123          | 231,123          |
| Receivables from related parties      | -                                 | 16,985           | 16,985           | -                                 | 16,557           | 16,557           |
| Loans to related parties              | -                                 | 13,213           | 13,213           | -                                 | 12,774           | 12,774           |
| <b>Total</b>                          | <b>7,950</b>                      | <b>204,002</b>   | <b>211,952</b>   | <b>39,653</b>                     | <b>260,454</b>   | <b>300,107</b>   |
| <b>Liabilities</b>                    |                                   |                  |                  |                                   |                  |                  |
| Borrowings and debentures in Reais    | -                                 | 139,961          | 139,961          | -                                 | 950,820          | 950,820          |
| Borrowings in foreign currency        | -                                 | 4,552            | 4,552            | -                                 | 4,076            | 4,076            |
| Trade payables                        | -                                 | 95,639           | 95,639           | -                                 | 89,989           | 89,989           |
| Payables to related parties           | -                                 | 4,420            | 4,420            | -                                 | 4,793            | 4,793            |
| Loans agreements with related parties | -                                 | 183,586          | 183,586          | -                                 | 186,995          | 186,995          |
| <b>Total</b>                          | <b>-</b>                          | <b>428,158</b>   | <b>428,158</b>   | <b>-</b>                          | <b>1,236,673</b> | <b>1,236,673</b> |
| <b>Consolidated</b>                   |                                   |                  |                  |                                   |                  |                  |
|                                       | 03/31/2024                        |                  |                  | 12/31/2023                        |                  |                  |
|                                       | Fair value through profit or loss | Amortized cost   | Total            | Fair value through profit or loss | Amortized cost   | Total            |
| <b>Assets</b>                         |                                   |                  |                  |                                   |                  |                  |
| Financial investments                 | 1,463                             | -                | 1,463            | 31,687                            | -                | 31,687           |
| Marketable securities                 | 66,655                            | -                | 66,655           | 59,954                            | -                | 59,954           |
| Trade receivables                     | -                                 | 502,417          | 502,417          | -                                 | 600,677          | 600,677          |
| Receivables from related parties      | -                                 | 9,071            | 9,071            | -                                 | 10,903           | 10,903           |
| <b>Total</b>                          | <b>68,118</b>                     | <b>511,488</b>   | <b>579,606</b>   | <b>91,641</b>                     | <b>611,580</b>   | <b>703,221</b>   |
| <b>Liabilities</b>                    |                                   |                  |                  |                                   |                  |                  |
| Borrowings and debentures in Reais    | -                                 | 163,271          | 163,271          | -                                 | 972,641          | 972,641          |
| Borrowings in foreign currency        | -                                 | 570,723          | 570,723          | -                                 | 525,741          | 525,741          |
| Trade payables                        | -                                 | 411,253          | 411,253          | -                                 | 391,287          | 391,287          |
| <b>Total</b>                          | <b>-</b>                          | <b>1,145,247</b> | <b>1,145,247</b> | <b>-</b>                          | <b>1,889,669</b> | <b>1,889,669</b> |

There were no reclassifications between the categories of financial instruments during the periods ended March 31, 2024 and December 31, 2023.

## Risk factors

The transactions of the Company and its subsidiaries are subject to the risk factors described below:

### a. Exposure to foreign exchange risks

The Company is exposed to foreign exchange risk arising from financial instruments denominated in currencies different from its functional currencies, which are entered into in the normal course of business. The Company uses both natural hedge opportunities and derivative financial instruments, mainly forward contracts, including deliverable and non-deliverable forwards. The financial risk management policy provides the structure and guidance for managing derivative contracts that are more principle-based than rule-based. The risk management policy is carried out by a corporate Risk Management team, which is responsible for the ongoing monitoring of exposures and risks. The risk management team regularly reviews the fair market value of transactions entered into and performs a sensitivity analysis (spot rate and adverse fluctuations of 10%, 25% and 50%) to define the degree of the Company's exposure. Based on the assessment, the Risk Management team makes appropriate decisions regarding the derivative instruments. There have been no changes in the risk management process compared with the prior year.

The main assets and liabilities subject to foreign exchange risks are listed below and there are no material differences between the fair values and the carrying amounts:

|                       | Consolidated<br>03/31/2024 |                 |                  |                            | Consolidated<br>12/31/2023 |                 |                    |          |                            |
|-----------------------|----------------------------|-----------------|------------------|----------------------------|----------------------------|-----------------|--------------------|----------|----------------------------|
|                       | USD                        | EUR             | TRY              | Total translated<br>in BRL | USD                        | EUR             | TRY                | GBP      | Total translated<br>in BRL |
| Cash and banks        | 4,640                      | 2,474           | 255,155          | 76,060                     | 3,258                      | -               | 170,878            | 6        | 43,818                     |
| Marketable securities | 4,852                      | 6,356           | 988              | 58,705                     | 3,642                      | 6,296           | 1,026              | -        | 51,494                     |
| Trade receivables     | 13,700                     | 12,708          | 423,973          | 202,720                    | 13,745                     | 10,631          | 707,777            | -        | 239,445                    |
| Trade payables        | (13,063)                   | (274)           | (189,176)        | (96,048)                   | (16,417)                   | (218)           | (1,116,586)        | -        | (263,653)                  |
| Borrowings            | (17,781)                   | (58,870)        | (918,936)        | (548,954)                  | (15,576)                   | (53,017)        | (878,000)          | -        | (503,035)                  |
| <b>Exposure</b>       | <b>(7,652)</b>             | <b>(37,606)</b> | <b>(427,996)</b> | <b>(307,517)</b>           | <b>(11,348)</b>            | <b>(36,308)</b> | <b>(1,114,905)</b> | <b>6</b> | <b>(431,931)</b>           |

| Rates used: | 03/31/2024 | 12/31/2023 |
|-------------|------------|------------|
| USD/BRL     | 4.9962     | 4.8413     |
| EUR/BRL     | 5.3979     | 5.3516     |
| TRY/BRL     | 0.1549     | 0.1639     |
| GPB/BRL     | 6.3122     | 6.1586     |

### b. Exposure to interest rate risks

The Company and its subsidiaries are exposed to floating interest rates mainly indexed to the variations of the Interbank Deposits (DI) on financial investments made in Reais and interest in borrowings in foreign currency exposed to changes in the Libor, Euribor and CDI rates. See details about this in notes 6 and 16. The Company and its subsidiaries have part of their financial investments in bonds and in investment funds that are measured at fair value and, therefore, subject to market fluctuations. The Company monitors these fluctuations through internal control tools and market follow-up, without necessarily having any obligation of entering into hedging instruments.

The position of the financial instruments subject to interest rate risks, as well as a comparison between the fair values and the carrying amounts are presented below:

|                       | Consolidated    |            |                 |            |
|-----------------------|-----------------|------------|-----------------|------------|
|                       | 03/31/2024      |            | 12/31/2023      |            |
|                       | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial investments | 1,463           | 1,463      | 31,687          | 31,687     |
| Investment funds      | 61,906          | 61,906     | 55,271          | 55,271     |
| Debentures            | 4,749           | 4,749      | 4,683           | 4,683      |
|                       | 68,118          | 68,118     | 91,641          | 91,641     |

|                           | Consolidated    |            |                 |            |
|---------------------------|-----------------|------------|-----------------|------------|
|                           | 03/31/2024      |            | 12/31/2023      |            |
|                           | Carrying amount | Fair value | Carrying amount | Fair value |
| Borrowings and debentures | 268,960         | 268,960    | 845,061         | 845,061    |

The Company's Management considers that the carrying amount of borrowings and debentures approximates the fair value and, therefore, the carrying amount is presented in the comparisons.

#### c. Credit risk concentration

This arises from the possibility of the Company and its subsidiaries incurring losses resulting from the default of its customers or of financial institutions that are depositories of funds or financial investments. To mitigate these risks, the Company and its subsidiaries have defined parameters in their risk management policy for analyzing the financial and equity situation of financial institutions that are depositories of funds or financial investments, which operate using risk ratings based on at least one of the three agencies - Standard & Poor's, Moody's or Fitch - as well as defining credit limits and conducting an ongoing monitoring of outstanding positions. Financial instruments that potentially subject the Company to credit risk concentration mainly consist of bank balances, financial investments, marketable securities and trade receivables. To reduce the credit risk, the Company conducts an individual periodic evaluation of its current customers and in order to obtain new customers, but, as a market practice, it does not require receipt in advance nor guarantees. The Company's Management believes that the recognized provisions are sufficient to cover any default and that there is no difference between the fair value and carrying amount of these provisions. The amount of the allowance for expected credit losses is presented in note 7.

#### d. Liquidity risk

The cash flow forecast is made by finance professionals who continually monitor liquidity in the Company's operating entities. This forecast takes into consideration the plans for financing debt, compliance with internal goals of the statement of financial position quotient and, if applicable, external or legal regulatory requirements, e.g. currency restrictions. In its risk management policy, the Company defines a minimum consolidated cash limit and financial indexes for debt management.

The table below shows the Company's non-derivative financial liabilities per maturity bracket, corresponding to the outstanding period in the statement of financial position until the contractual maturity date.

|                           | Parent company   |                       |              |
|---------------------------|------------------|-----------------------|--------------|
|                           | Less than 1 year | Between 1 and 2 years | Over 2 years |
| Trade payables            | 95,639           | -                     | -            |
| Borrowings and debentures | 113,614          | -                     | 31,035       |
|                           | 209,253          | -                     | 31,035       |

|                           | Consolidated     |                       |              |
|---------------------------|------------------|-----------------------|--------------|
|                           | Less than 1 year | Between 1 and 2 years | Over 2 years |
| Trade payables            | 411,253          | -                     | -            |
| Borrowings and debentures | 578,976          | 7,343                 | 197,946      |
|                           | 990,229          | 7,343                 | 197,946      |

**e. Commodity price risk**

The Company is exposed to the volatility of market prices, mainly copper, aluminum and iron ore, which are used as raw materials in the production of some components required for refrigerators. The Company uses commodity derivatives to minimize the exposure to commodity price fluctuations, according to its Financial Risk Management Policy.

**f. Other risks**

***Seasonality***

The tropical and equatorial regions, in general, benefit from the hot climate during the whole year, favoring the sale of beverages, ice creams and frozen products in all seasons of the year. Therefore, it is difficult to perceive a clear seasonality in these regions. However, in the subtropical regions, as there is a greater contrast between summer and winter, with a larger consumption of chilled beverages and ice creams in the summer, it is possible to note slightly stronger sales of freezers and refrigerators in the pre-summer and summer periods.

***Sales concentration***

In the period ended March 31, 2024, our 10 largest customers accounted for 35.4% (36.9% as at March 31, 2023) of our gross sales.

### ***Concentration of raw materials***

There are eight classes of raw materials/components that contribute to approximately 60% of the average cost of refrigerators, namely: steel, compressors, glass, copper or aluminum, chemical materials, thermal insulating materials, electrical components (micro motors, electronic controllers and others) and wiring. Since a number of raw materials and components are commodities, the Company seeks to purchase large volumes to achieve cost reduction. Nevertheless, we maintain an active search for more economic supply alternatives in order to maintain our low concentration of suppliers.

### **Capital management**

The Company manages its funds through the Financial Risk Management Policy. The policy establishes, among others:

- a) Long-term indebtedness to total indebtedness ratio, higher than 40%;
- b) Minimum consolidated cash limit of R\$50,000 in addition to the financial debt payment schedule for the following quarter.

|   | Consolidated |            |
|---|--------------|------------|
|   | 03/31/2024   | 12/31/2023 |
| Borrowings and debentures   | 733,994      | 1,498,382  |
| Short-term  | 553,673      | 1,279,866  |
| Long-term   | 180,321      | 218,516    |
| ( - ) Cash, cash equivalents and marketable securities                                | (166,557)    | (181,367)  |
| ( = ) Net debt  | 567,437      | 1,317,015  |
| <br>a) Long-term indebtedness to total indebtedness ratio                             | 25%          | 15%        |
| <br>b) Minimum consolidated cash  |              |            |
| Minimum consolidated cash of R\$50 million + financial debts of the following quarter | 201,350      | 1,119,273  |
| Cash, cash equivalents and marketable securities to Minimum cash ratio                | (0.83)       | (0.16)     |

As at March 31, 2024 and December 31, 2023, the percentage of short-term borrowings was higher than the amount allowed by the Financial Policy.

### **Derivative financial instruments**

The Management of the Company and its subsidiaries maintain, in accordance with its Financial Risk Management Policy, an ongoing monitoring of the derivative financial instruments entered into. These transactions are carried out based on the evaluation of the market conditions of each derivative instrument. The Company is not subject to limitations to the exposure to different interest rates, currencies and commodity prices and is not required to hedge itself against foreign currency exposure, but it is authorized to carry out interest rate, currency and commodity price derivative transactions. If the price assumptions and the projected economic scenario used upon entering into derivative instruments are not materialized, the Company may incur financial losses.

The monitoring of transactions with derivative instruments is carried out by the Financial Officer and periodically by the Risk Management Group and the Board of Directors.

### Criteria for determining fair value

The estimated fair value of derivative financial instruments entered into by the Company and its subsidiaries was determined based on information available in the market. The fair value of these derivatives is obtained based on the discounted cash flow, according to the contractual (exchange and interest) rates and those prevailing in the market. However, considerable judgment was required to interpret the market data in order to produce the estimated fair value of each transaction. Accordingly, the following estimates do not necessarily indicate the amounts that will be realized upon the financial settlement of the transactions.

According to their Financial Risk Management Policy, the Company and its subsidiaries use future exchange contracts (Non-Deliverable Forwards and Deliverable Forwards) as a way of mitigating the impacts of exchange rate gains and losses on assets and liabilities, financial income and expenses and gross margin.

#### a. Outstanding derivative transactions

As at March 31, 2024 and December 31, 2023, the Company and its subsidiaries had no outstanding derivative transactions.

The Company has a policy of not using complex or speculative derivatives, such as, for example, target forwards.

#### b. Derivative transactions settled

| Amounts as at March 31, 2023 (in Reais '000) - Consolidated |                   |                 |                      | Notional<br>amount on<br>settlement<br>date | Fair value<br>receivable<br>(payable) on<br>settlement date | Gain (loss) in<br>the period<br>ended<br>03/31/2023 |
|---|-------------------|-----------------|----------------------|---|---|---|
| Description   | Risk              | Settlement date | Country of<br>origin |   |   |   |
| Non-Deliverable<br>Forwards                                 | Short in TRY/USD  | Feb/2023        | Turkey               | 51,834                                      | 6,588   | -   |
| Non-Deliverable<br>Forwards                                 | (Long in EUR/USD) | Feb/2023        | Turkey               | (166,713)                                   | (20,053)  | -   |
|   |                   |                 |                      |   | (13,465)  | -   |

### Sensitivity analysis

The financial instruments, including derivatives, may undergo changes in fair value as a result of the fluctuation of commodity prices, exchange rates, interest rates, shares and share indexes, price indexes and other variables. The evaluations of the sensitivity of the derivative financial instruments to these variables are presented below:

## i. Selection of risks

The Company selected three main market risks that may affect the value of the financial instruments held by it, such as: (1) the US Dollar-Real exchange rate; (2) the Euro-Real exchange rate; (3) the Turkish Lira-Real exchange rate; and (4) changes in Libor, Euribor and CDI interest rates.

For purposes of the analysis of sensitivity to risks, the Company presents the exposures to currencies as if they were independent, i.e. without reflecting the risks of changes in other exchange rates in the exposure to an exchange rate that could be indirectly impacted by the others.

## ii. Selection of scenarios

The Company includes three scenarios in the sensitivity analysis, which may represent adverse effects for the Company. In the preparation of the adverse scenarios, the Company considered only the impact of the variables on the financial instruments. The global impact on the Company's operations was not considered. Given that the Company manages its exchange rate exposure on a net basis, adverse effects verified with an increase in the US dollar against the Real may be offset or amplified by opposite effects in the Company's operating results. On the same manner, gains from and losses on commodity derivatives may be offset or amplified by the opposite effect on the costs of the Company's inputs.

The scenario 1 considers increases of 10% in the quotations of the abovementioned currencies against the Real, Libor, Euribor and CDI interest rates in relation to the closing quotations as at March 31, 2024.

The scenarios 2 and 3 consider increases of 25% and 50%, respectively, in the quotations of the abovementioned currencies against Real, Libor, Euribor and CDI interest rates in relation to the closing quotations as at March 31, 2024.

## a. Sensitivity analysis of changes in foreign currency

| Description      | Risk                          | Consolidated                              |                   |                   |
|------------------|-------------------------------|---|-------------------|-------------------|
|                  |                               | Effect in P&L on spot exchange rate as at |                   |                   |
|                  |                               | 03/31/2024                                |                   |                   |
|                  |                               | Scenario 1<br>10%                         | Scenario 2<br>25% | Scenario 3<br>50% |
| Borrowings       | Increase in Dollar rate       | (8,884)                                   | (22,209)          | (44,418)          |
|                  | Increase in Euro rate         | (31,777)                                  | (79,444)          | (158,887)         |
|                  | Increase in Turkish Lira rate | (14,234)                                  | (35,586)          | (71,172)          |
| Investment funds | Increase in Dollar rate       | 2,424                                     | 6,060             | 12,120            |
|                  | Increase in Euro rate         | 3,431                                     | 8,578             | 17,156            |
| Total            |                               | (49,040)                                  | (122,601)         | (245,201)         |

## Rates used – Scenario of increase:

|         | Equal to spot rate as at<br>03/31/2024 | Effect in P&L on spot exchange rate as at 03/31/2024 |                   |                   |
|---------|--|--|-------------------|-------------------|
|         |  | Scenario 1<br>10%                                    | Scenario 2<br>25% | Scenario 3<br>50% |
| USD/BRL | 4.9962                                 | 5.4958   | 6.2453            | 7.4943            |
| EUR/BRL | 5.3979                                 | 5.9377   | 6.7474            | 8.0969            |
| TRY/BRL | 0.1549                                 | 0.1704   | 0.1936            | 0.2324            |

| Description      | Risk                          | Consolidated<br>Effect in P&L on spot exchange rate as at<br>03/31/2024 |                   |                   |
|------------------|-------------------------------|---|-------------------|-------------------|
|                  |                               | Scenario 1<br>10%   | Scenario 2<br>25% | Scenario 3<br>50% |
| Borrowings       | Decrease in Dollar rate       | 8,884   | 22,209            | 44,418            |
|                  | Decrease in Euro rate         | 31,777  | 79,444            | 158,887           |
|                  | Decrease in Turkish Lira rate | 14,234  | 35,586            | 71,172            |
| Investment funds | Decrease in Dollar rate       | (2,424)   | (6,060)           | (12,120)          |
|                  | Decrease in Euro rate         | (3,431)   | (8,578)           | (17,156)          |
| Total            |                               | 49,040  | 122,601           | 245,201           |

## Rates used - Scenario of decrease:

|         | Equal to spot rate as at<br>03/31/2024 | Effect in P&L on spot exchange rate as at 03/31/2024 |                   |                   |
|---------|--|--|-------------------|-------------------|
|         |  | Scenario 1<br>10%                                    | Scenario 2<br>25% | Scenario 3<br>50% |
| USD/BRL | 4.9962                                 | 4.4966   | 3.7472            | 2.4981            |
| EUR/BRL | 5.3979                                 | 4.8581   | 4.0484            | 2.6990            |
| TRY/BRL | 0.1549                                 | 0.1394   | 0.1162            | 0.0775            |

## b. Sensitivity analysis of changes in Libor, Euribor and CDI interest rates on borrowings

| Description                     | Risk                     | Consolidated<br>Effect in P&L on spot exchange<br>rate as at 03/31/2024 |                   |                   |
|---------------------------------|--------------------------|---|-------------------|-------------------|
|                                 |                          | Scenario 1<br>10%   | Scenario 2<br>25% | Scenario 3<br>50% |
| Bank deposit certificates - CDB | Increase in CDI rate     | -   | 11                | 28                |
| Borrowings                      | Increase in CDI rate     | (1,307)   | (3,340)           | (6,932)           |
|                                 | Increase in Euribor rate | (1,036)   | (2,591)           | (5,181)           |
|                                 | Increase in Libor rate   | (46)  | (116)             | (232)             |
| Total                           |                          | (2,389)   | (6,036)           | (12,317)          |



## Rates used:

|            | Equal to the rate as<br>at 03/31/2024 | Effect in P&L on interest rate as at 03/31/2024 |                   |                   |
|------------|---------------------------------------|---|-------------------|-------------------|
|            |                                       | Scenario 1<br>10%                               | Scenario 2<br>25% | Scenario 3<br>50% |
| CDI        | 10.65%                                | 11.715%   | 13.3125%          | 15.975%           |
| Euribor 6M | 3.8510%                               | 4.2361%   | 4.8138%           | 5.7765%           |
| Libor 6M   | 5.6461%                               | 6.2107%   | 7.0576%           | 8.4691%           |

## Fair value measurement

The technical pronouncement IFRS 7 / CPC 46 defines the fair value as the exchange price that would be received for an asset or the price paid to transfer a liability (exit price) in the main market or in the most advantageous market for the asset or liability, in a normal transaction between market participants as at the measurement date, and it also establishes a three-level hierarchy to be used for measuring fair value, namely:

Level 1 - Prices quoted (unadjusted) in active markets for similar assets and liabilities.

Level 2 - Other inputs, except those included in level 1, through which prices are quoted (unadjusted) for similar assets and liabilities (directly as prices or indirectly as derived from prices), in non-active markets, or other inputs that are available or that can be supported by observable market inputs.

Level 3 - Inputs unavailable due to little or no market activity that are material for defining the fair value of assets and liabilities (unobservable).

As at March 31, 2024, the Company held certain financial assets and liabilities whose fair value measurement is required on recurring basis. These assets and liabilities include investments in corporate bonds and derivative instruments. The Company's assets and liabilities measured at fair value on recurring basis and subject to disclosure as at March 31, 2024 and December 31, 2023, are as follows:

|                           | 03/31/2024     | Fair value measurement - Consolidated                               |  |                                   |
|---------------------------|----------------|---|--|-----------------------------------|
|                           |                | Prices quoted in<br>active markets for<br>similar assets<br>Level 1 | Prices quoted in<br>nonactive markets<br>for similar assets<br>Level 2 | Unobservable<br>inputs<br>Level 3 |
| <b>Assets</b>             |                |   |  |                                   |
| Financial investments     | 1,463          | -   | 1,463  | -                                 |
| Debentures                | 4,749          | -   | 4,749  | -                                 |
| Investment funds          | 61,906         | -   | 61,906   | -                                 |
|                           | <u>68,118</u>  | <u>-</u>  | <u>68,118</u>  | <u>-</u>                          |
| <b>Liabilities</b>        |                |   |  |                                   |
| Borrowings and debentures | 733,994        | -   | 733,994  | -                                 |
|                           | <u>733,994</u> | <u>-</u>  | <u>733,994</u>   | <u>-</u>                          |

|                           | 12/31/2023       | Fair value measurement - Consolidated                         |  |                                |
|---------------------------|------------------|---|--|--------------------------------|
|                           |                  | Prices quoted in active markets for similar assets<br>Level 1 | Prices quoted in nonactive markets for similar assets<br>Level 2 | Unobservable inputs<br>Level 3 |
| <b>Assets</b>             |                  |   |  |                                |
| Financial investments     | 31,687           | -   | 31,687   | -                              |
| Debentures                | 4,683            | -   | 4,683  | -                              |
| Investment funds          | 55,271           | -   | 55,271   | -                              |
|                           | <u>91,641</u>    | <u>-</u>  | <u>91,641</u>  | <u>-</u>                       |
| <b>Liabilities</b>        |                  |   |  |                                |
| Borrowings and debentures | 1,498,382        | -   | 1,498,382  | -                              |
|                           | <u>1,498,382</u> | <u>-</u>  | <u>1,498,382</u>   | <u>-</u>                       |

The Company's Management considers that the carrying amount of borrowings and debentures approximates the fair value and, therefore, the carrying amount is presented.

There were no reclassifications between the levels of fair value measurement of the financial instruments during the periods ended March 31, 2024 and December 31, 2023.

## 28 Insurance coverage

As at March 31, 2024, the Company and its subsidiaries have insurance coverage against fire and sundry risks for items of property, plant and equipment and inventories, in amounts considered by Management to be sufficient to cover any losses, considering the nature of their activities and the opinion of their insurance advisors.

|          |   | Parent company                |                |
|----------|---|-------------------------------|----------------|
| Items    | Type of coverage                                      | Maturity                      | Insured amount |
| Business | Building, equipment, inventories and loss of profits  | 04/30/2025                    | 473,298        |
| Civil    | Civil liability                                       | 04/30/2025                    | 19,050         |
| Civil    | Civil liability "D&O"                                 | 04/30/2025                    | 75,000         |
|          |   | Consolidated                  |                |
| Items    | Type of coverage                                      | Maturity                      | Insured amount |
| Business | Building, equipment, inventories and loss of profits  | From 05/26/2024 to 04/30/2025 | 1,764,286      |
| Civil    | Civil liability                                       | From 01/18/2025 to 04/30/2025 | 1,094,249      |
| Civil    | Civil liability "D&O"                                 | From 02/27/2025 to 04/30/2025 | 154,185        |
| Vehicles | Fire, explosion, civil liability, collision and theft | From 05/24/2024 to 04/15/2025 | 2,024          |

## 29 Commitments

### Electric power supply agreements

The Company has a commitment derived from an electric power supply agreement in effect until 2025. During the period ended March 31, 2024, expenses on such supply agreement were R\$351 (R\$378 as at March 31, 2023). As at March 31, 2024, the estimated future obligation for the next years up to normal maturity date, not including any renewals of such agreements, is presented in the table below:

|      | <b><u>Parent company<br/>and Consolidated</u></b> |
|------|---|
| 2024 | 1,035   |
| 2025 | 1,346   |

## 30 Additional information to the statements of cash flows

During the periods ended March 31, 2024 and 2023, the Company and its subsidiaries carried out the following non-cash transactions, which were not presented in the statements of cash flows:

|                           | <b><u>Parent company</u></b> |                   | <b><u>Consolidated</u></b> |                   |
|---------------------------|------------------------------|-------------------|----------------------------|-------------------|
|                           | <u>03/31/2024</u>            | <u>03/31/2023</u> | <u>03/31/2024</u>          | <u>03/31/2023</u> |
| Right-of-use asset (PP&E) | (480)                        | (218)             | (1,534)                    | (3,020)           |
| Lease liability           | 480                          | 218               | 1,534                      | 3,020             |
|                           | <u>-</u>                     | <u>-</u>          | <u>-</u>                   | <u>-</u>          |