



4Q24 Earnings Release

February 20, 2025

DISCLAIMER

This document may contain forward-looking statements. These statements are based on estimates and information that may be incorrect or inaccurate and that may not occur. These estimates are also subject to risks, uncertainties, and assumptions that include, among other factors, general economic, political, and commercial conditions in Brazil and in the markets where we operate, as well as existing and future government regulations. Potential investors are cautioned that these forward-looking statements do not constitute guarantees of future performance, given that they involve risks and uncertainties. Gerdaul does not undertake, and expressly waives, any obligation to update any of these forward-looking statements, which speak only as of the date they were made.



HIGHLIGHTS



PEOPLE'S SAFETY¹

We recorded **all-time best frequency rate** in people's safety



STEEL IMPORTS

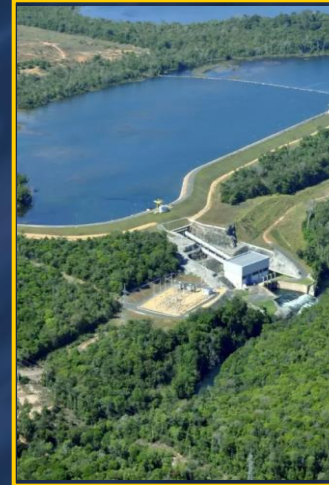
The **penetration rate of imported steel in Brazil** ended 2024 at **18.5%**, and remains a major impact on the domestic market



ADJUSTED EBITDA

R\$10.8B

With **financial discipline and solid balance sheet**, we build the grounds for a sustainable growth



RENEWABLE ENERGY INVESTMENTS

Strategy to create greater **cost competitiveness** and reduce **CO2 emissions**

FINANCIAL HIGHLIGHTS



ADJ NET INCOME:
R\$4.3B

EPS:
R\$2.18

Totaling earnings per share
of **R\$0.15 in 4Q24**



FREE CASH FLOW:
R\$2.9B

Reflecting our **competitiveness** and
financial resilience



LEVERAGE:
0.48x

Low level of leverage, despite more challenging
results versus 2023



CAPEX:
R\$6.2B

Out of this total, **47%** was allocated to
Maintenance and **53%** to **Competitiveness**



SHARE BUYBACK:

Conclusion of the 2024 program (~3.4% of Gerdau S.A.
outstanding shares), and opening of a **new 2025 program**
of up to 64.5 million shares for Gerdau S.A. (~3.1% of
outstanding shares), and 6.0 million shares for
Metalúrgica Gerdau S.A.



4Q24 DIVIDENDS To be paid as of March 14, 2025

GERDAU S.A.: **R\$203.4M** **R\$ 0.10/share**

METALÚRGICA: **R\$50.0M** **R\$0.05/share**



**CONCLUSION OF THE COST-
SAVINGS PROGRAM**

Asset optimization and **cost-savings**
initiatives implemented throughout 2024



CHANGE IN **REPORTABLE SEGMENTS** AS
OF **1Q25**

- Brazil
- North America
- South America

OUTLOOK

NORTH AMERICA



1Q25*: Slight margins **upturn**

- Seasonal improvement in volumes and backlog returning to historic levels (> 60 days);
- Spread squeeze (increased scrap costs);
- Lower maintenance downtime costs;

2025:

- Import tariff discussions in the U.S. could influence capacity utilization and spreads;
- Positive outlook for non-residential construction demand, infrastructure and government tax packages;
- Continuous focus on cost improvements opportunities;

BRAZIL



1Q25*: Slight margins **slowdown**

- Tougher market, with expectations of macroeconomic scenario downturn and price pressure;
- Export volume still relevant, maximizing capacity utilization;
- Shutdown for completion of HRC rolling mill in Ouro Branco putting pressure on costs and volume; **Estimated startup in February 25;**

2025:

- Civil construction and automotive sectors with resilient demand in the current economic scenario, attentive to the eventual impacts of high interest rates;
- Risk of a new increase in imports due to higher tariffs in other markets and the ineffectiveness of the quota-tariff system.

Continued discipline in capital allocation through strategic CAPEX and share buyback program

Q&A

To ask questions, indicate your name and institution via the #Raise Hand# icon, wait to be announced to proceed with the question.

When announced to ask the question, you must accept the request to activate your microphone and video.



GERDAU
Shape the future



Appendices



GERDAU
Shape the future

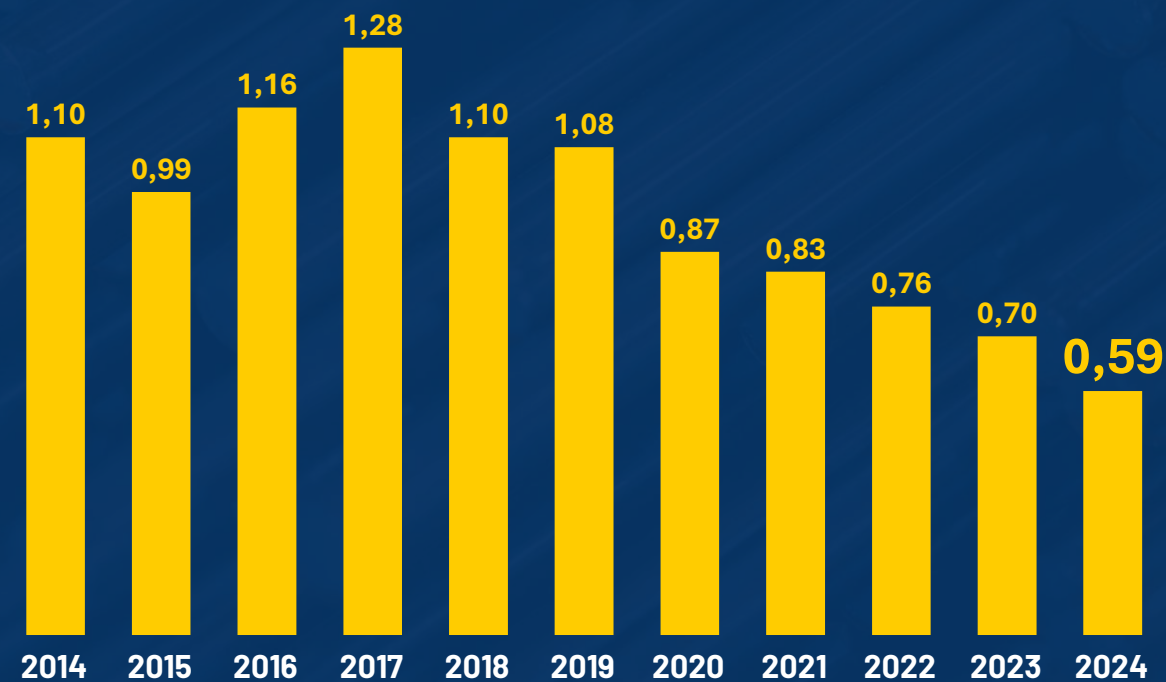
WORKPLACE SAFETY

We recorded **all-time best results** in **people's safety**



Accident Frequency Rate

0.59 in 2024



Number of Accidents per Million Hours Worked per each GerdaU Employee



QUARTERLY OVERVIEW

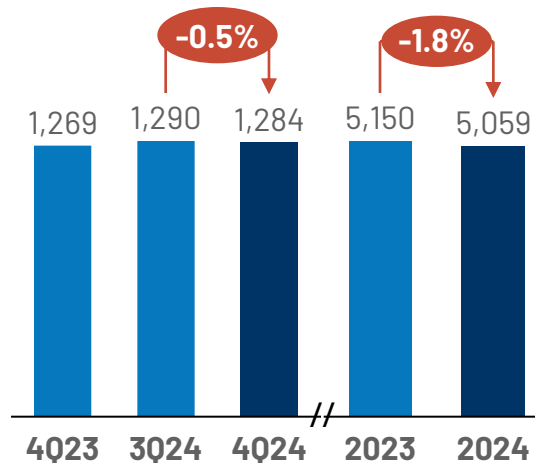
- The imported steel penetration rate reached 18.5% in 2024 and remains the sector's main issue;
- The domestic market experienced lower volumes due to the typical seasonality of the period;
- Exports were more relevant, benefiting from Brazilian real devaluation against the U.S. dollar, enhancing production capacity utilization and diluting fixed costs;
- Delivery of cost-savings guidance, through asset optimization and improved operating efficiency.

UTILIZATION RATE

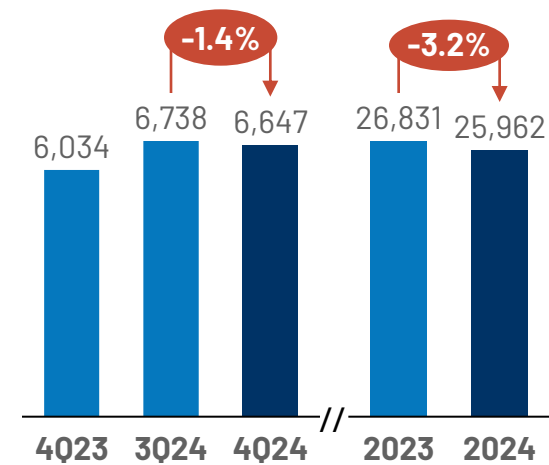
Rolled steel **58%**

Crude Steel **75%**

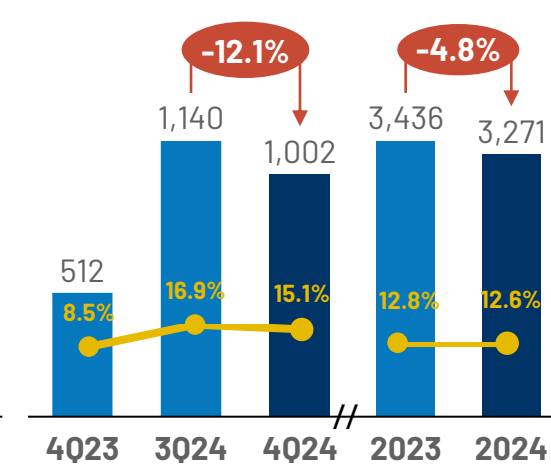
Shipments (1,000 tonnes)



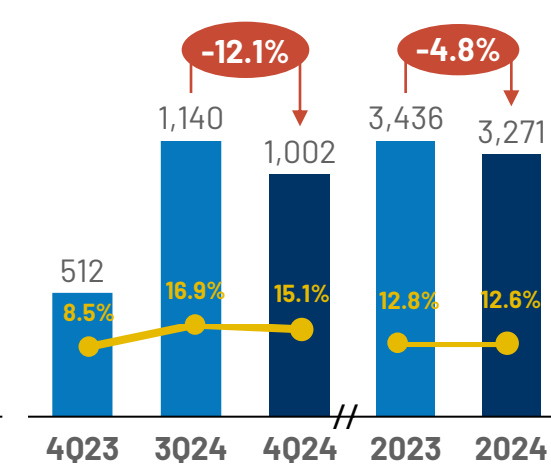
Net Sales (R\$ million)



EBITDA (R\$ million)



EBITDA Margin



Real estate sales in São Paulo hit a record of 103,300 units in 2024¹.



Manufacturing Industry +2.4%²



Real estate inventory (SP) -6.7%¹



Infrastructure Investments (Public + Private) +6.3%³

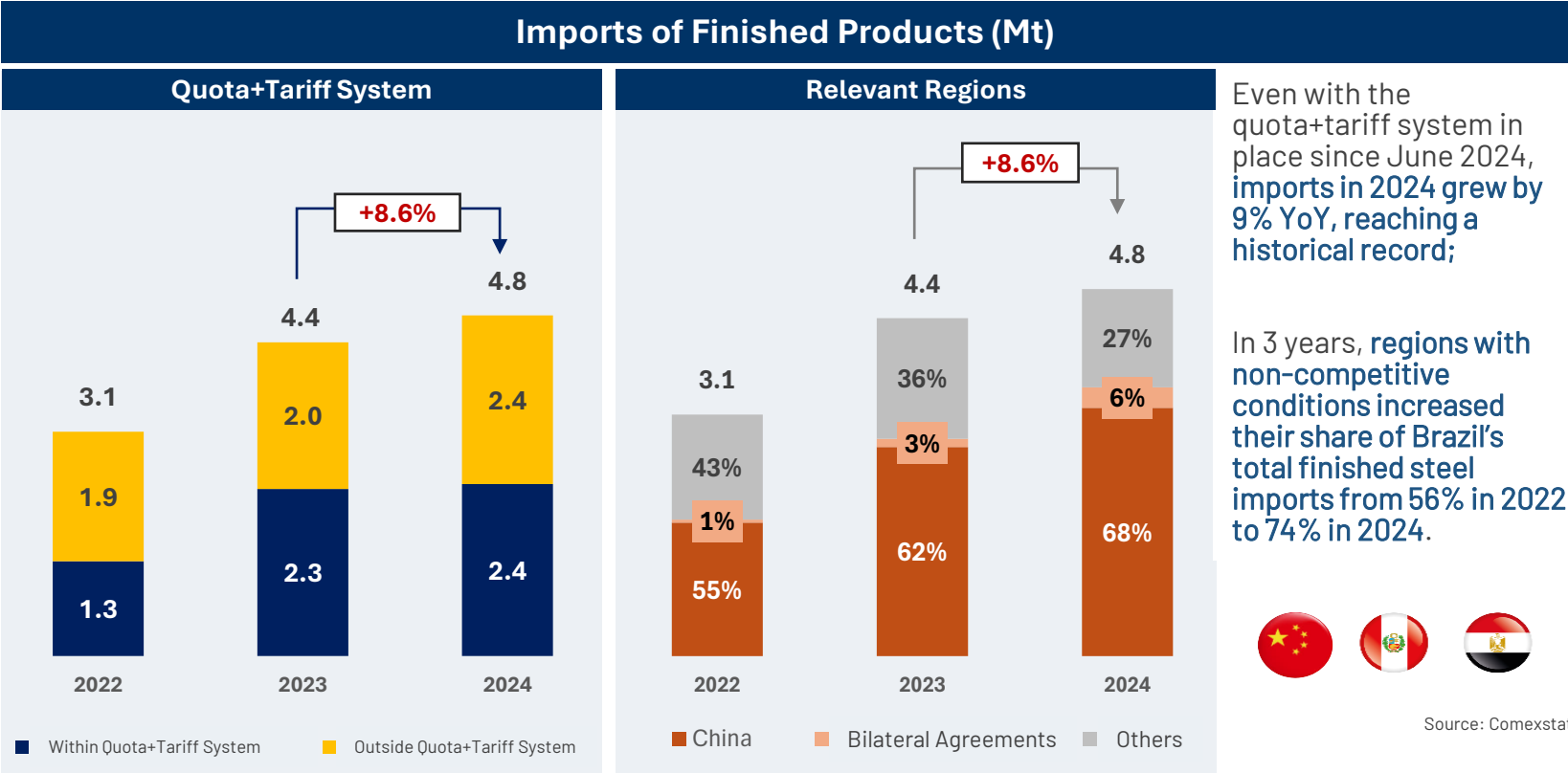
IMPACTS OF UNFAIR LEVEL OF IMPORTS



Imports of finished products at an all-time high despite trade defense measures in place

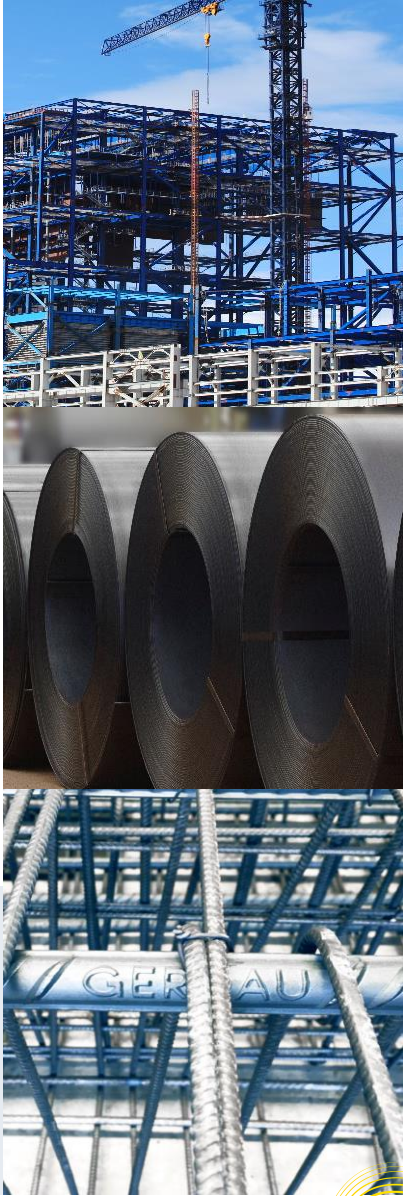


Trade defense measures need to be deepened in pursuit of competitive equality



Note 1: Products under the quota+tariff system include NCMs granted in the Aço Brasil request in April 2024 and NCMs granted in the Sicetel request in October 2024.
Note 2: Bilateral agreements refer to Egypt and Peru, where both have FTAs in effect with Mercosur/Brazil.

- Revision of the quota-tariff system;
- Include more NCMs in the list of tariff exceptions (LETEC);
- Greater promptness in antidumping claims filed;
- Greater government openness to new trade defense measures.

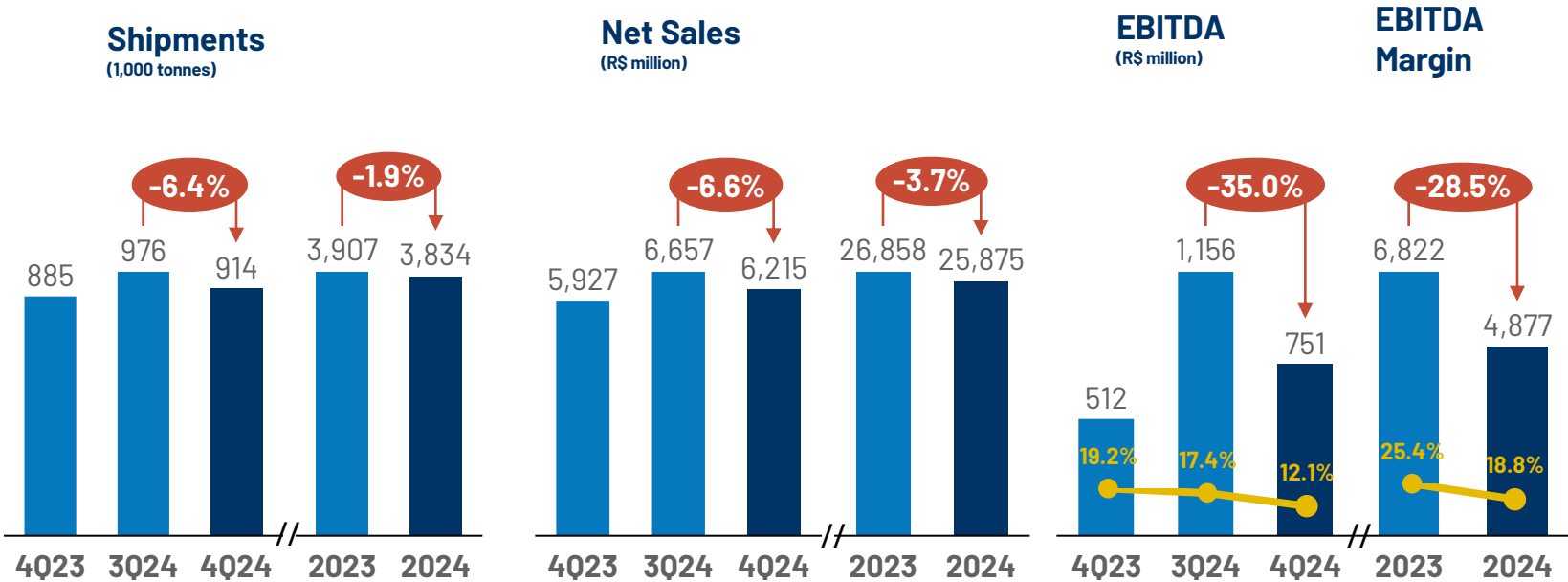




QUARTERLY OVERVIEW

- Shipment volume affected by the typical seasonality of the period, in addition to the uncertainties of the market in general regarding the demand scenario and forward pricing;
- Lower average price in U.S. dollars, greater share of rebar in the product mix and pressure from imports;
- Dollar cost in line despite scheduled maintenance shutdowns, mainly due to stable scrap prices;
- In 2024, results remained above historical levels, reflecting business management flexibility relying on market dynamics and efforts to control costs and SG&A.

UTILIZATION RATE



Manufacturing Index
(ISM):¹ 52.5



PMI:¹ 51.2



ABI:² 44.1



DMI:³ +2.0% Δ q/q

¹Institute for Supply Management's Manufacturing index. ² Architectural Billings Index. ³ Dodge Construction Network



QUARTERLY OVERVIEW

BRAZIL

- Lower sequential sales volume due to seasonality. Over the year, volumes grew significantly, driven by growth in the production of trucks and light vehicles production;
- Lower costs of goods sold in 2024, reflecting efforts to gain operating efficiency and cut costs and expenses.

UNITED STATES

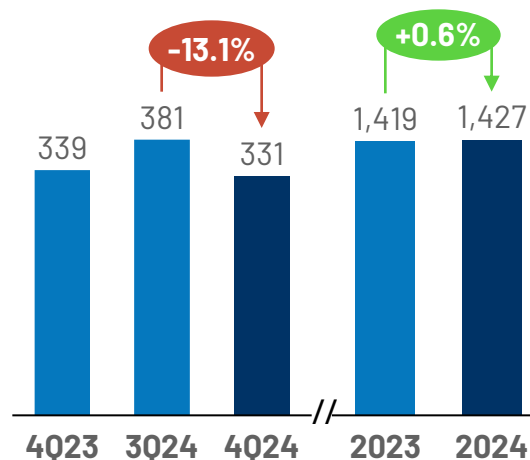
- Shipment volume was impacted by weaker demand in the automotive sector and other sectors such as oil and gas;
- Increased costs of goods sold due to maintenance shutdowns and lower dilution in fixed costs.

UTILIZATION RATE

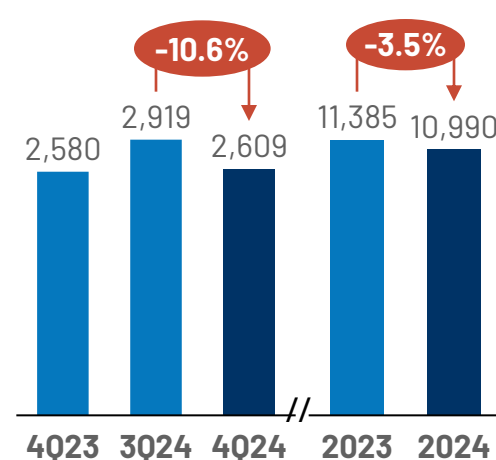
Rolled steel **46%**

Crude steel **61%**

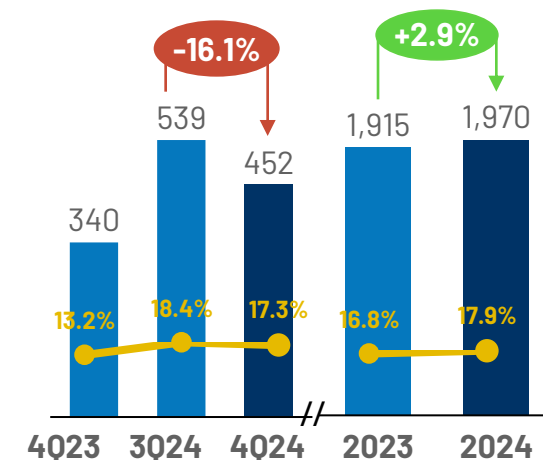
Shipments
(1,000 tonnes)



Net Sales
(R\$ million)



EBITDA
(R\$ million)



EBITDA Margin

Light Vehicle Production
in 4Q24: +17.0% Δ y/y



Heavy Vehicle Production
in 4Q24: +32.9% Δ y/y¹

Light Vehicle Production
in 4Q24: +1.7% Δ y/y²



Class 4 & 8 Vehicle Production
in 4Q24: -3.6% Δ y/y³



QUARTERLY OVERVIEW

ARGENTINA

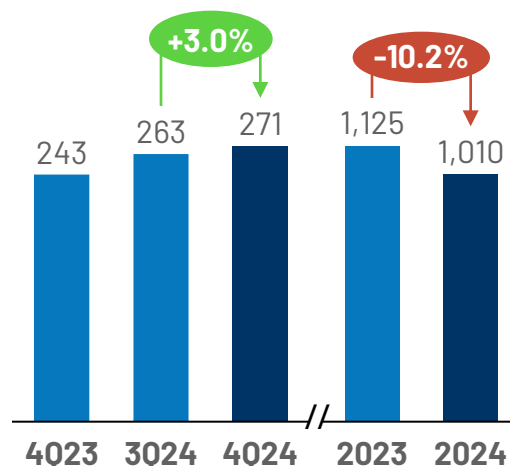
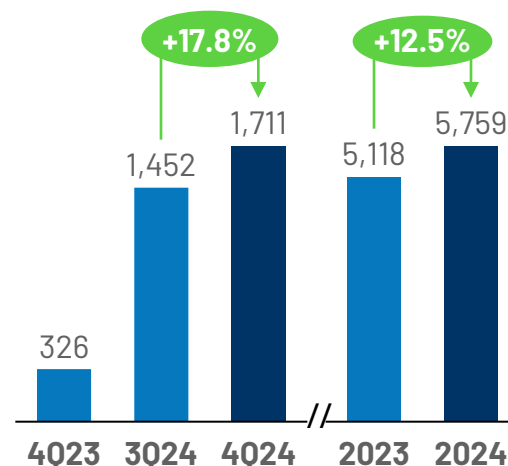
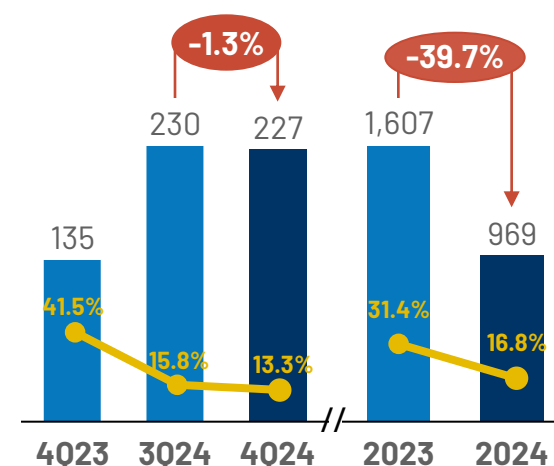
- Slight upturn in economic activity, benefiting from investments in primary sectors and domestic consumption growth.

PERU

- Best quarter of the year, driven by advances in the execution of public works in the country.

URUGUAY

- Consistent demand due to good execution of public and private works. Prices pressured by higher steel imports.

Shipments
(1,000 tonnes)Net Sales
(R\$ million)EBITDA
(R\$ million)EBITDA
Margin

**Apparent
Consumption
of Long Steel:**
280Kt
(+11.6% Δ q/q)¹



**Business Confidence
Index:**
50.0
(-1.6 points Δ q/q)²



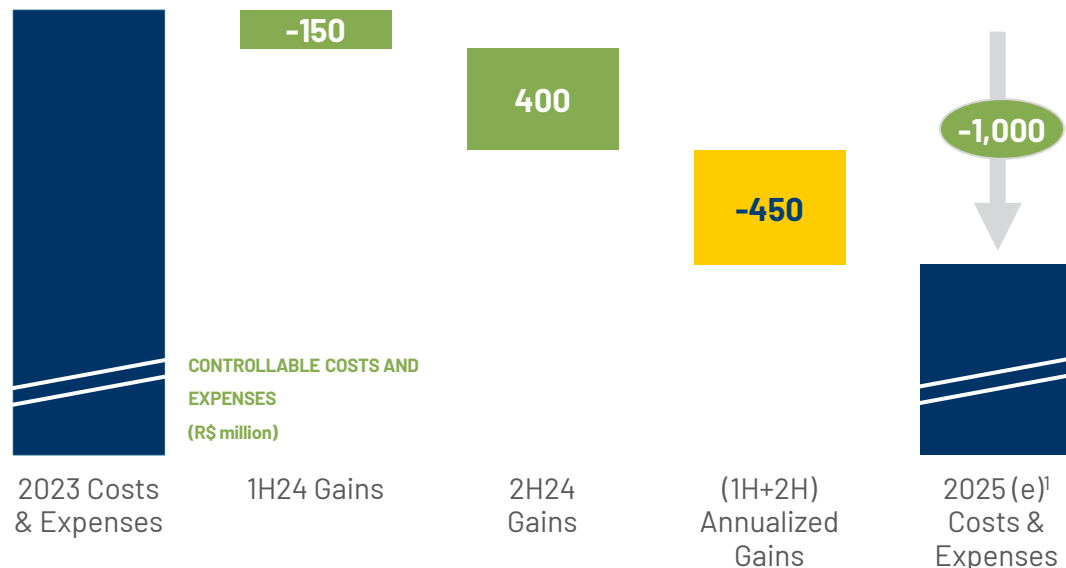
**Apparent
Consumption
of Long Steel:**
30.8Kt
(-0.1% Δ q/q)³

ASSET OPTIMIZATION AND COST-SAVINGS INITIATIVES IMPLEMENTED THROUGHOUT 2024

Brazil BD:
~R\$1.0 billion/year



Other BDs:
~R\$0.5 billion/year



- Units hibernation;
- Volume migration to other units;
- Projects to enhance efficiency;
- Optimization of maintenance costs and specific materials;
- Greater operating leverage in production units;

2024 Initiatives

- **North America BD**
 - Initiatives to control and optimize personnel, maintenance and third-party hiring;
 - Whitby collective agreement concluded.
- **Special Steel BD**
 - Brazil:
 - Initiatives to control and optimize personnel;
 - Gains consolidation & annualization.
 - USA:
 - Monroe collective agreement concluded;
 - Rolling mill productivity improvement.

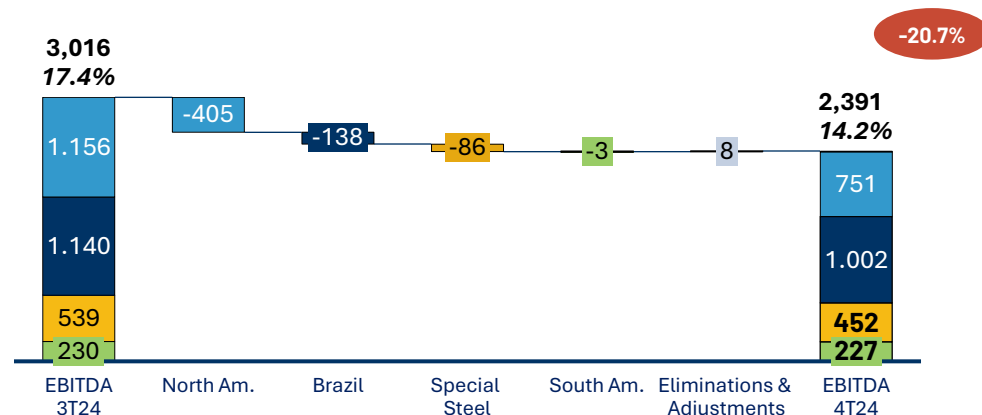
OPTIMIZATION AND HIGHER UTILIZATION OF OUR ASSETS, BOOSTING PERFORMANCE AND PROFITABILITY

HIGHLIGHTS OF THE PERIOD

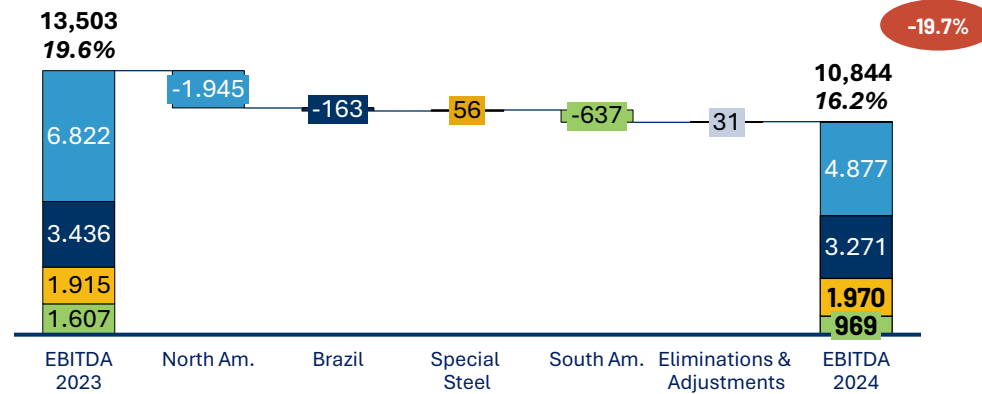
FOCUS ON COMPETITIVENESS THROUGH ASSET OPTIMIZATION IN BRAZIL

ADJUSTED EBITDA (R\$ million) and ADJUSTED EBITDA MARGIN¹

4Q24

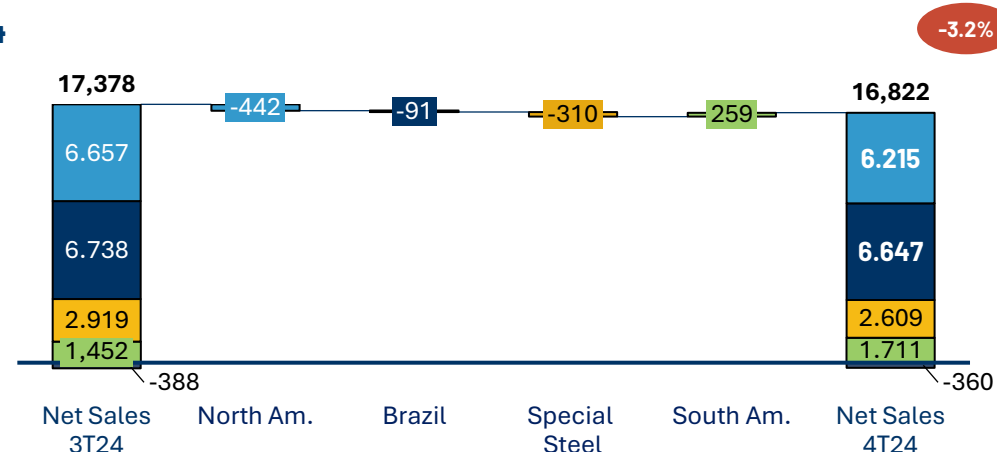


2024

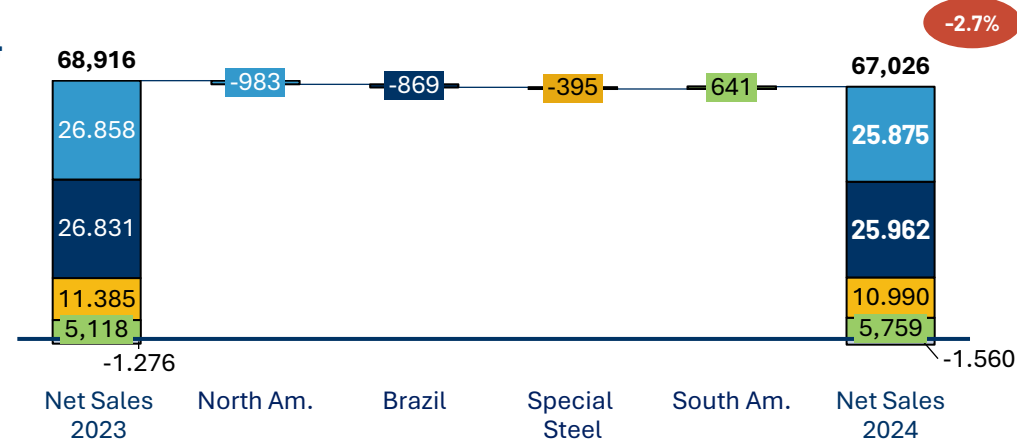


NET SALES² (R\$ million)

4Q24



2024



North Am. Brazil Special Steel South Am. Eliminations & Adjustments

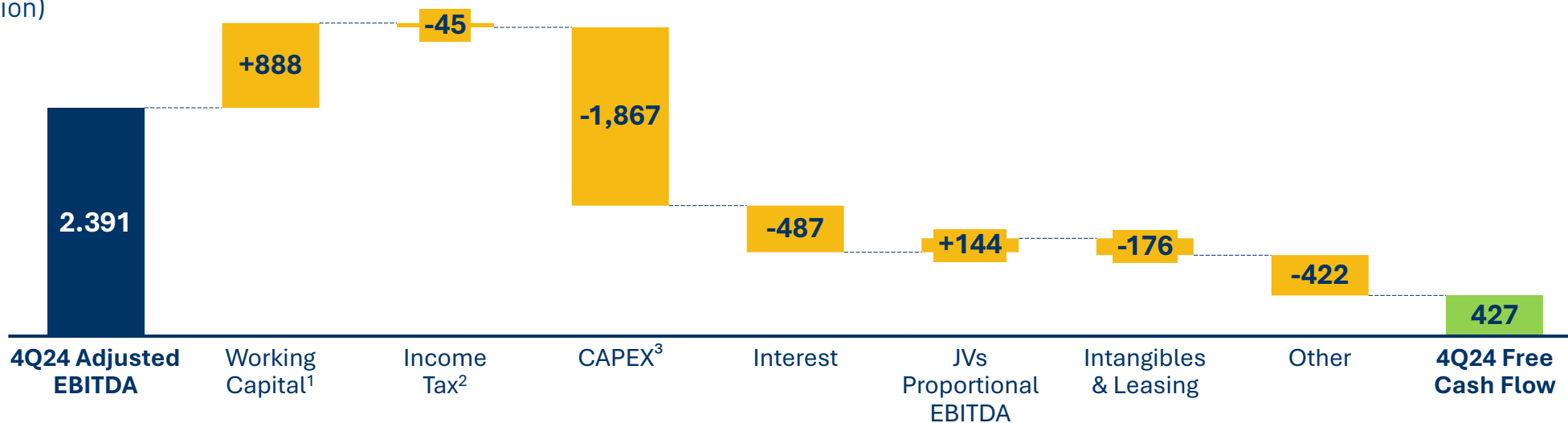
¹ Non-accounting measurement prepared by the Company. The Company states the Adjusted EBITDA to provide additional information about cash generation in the period.

² Includes iron ore sales.

CASH FLOW & NET CASH VARIATION

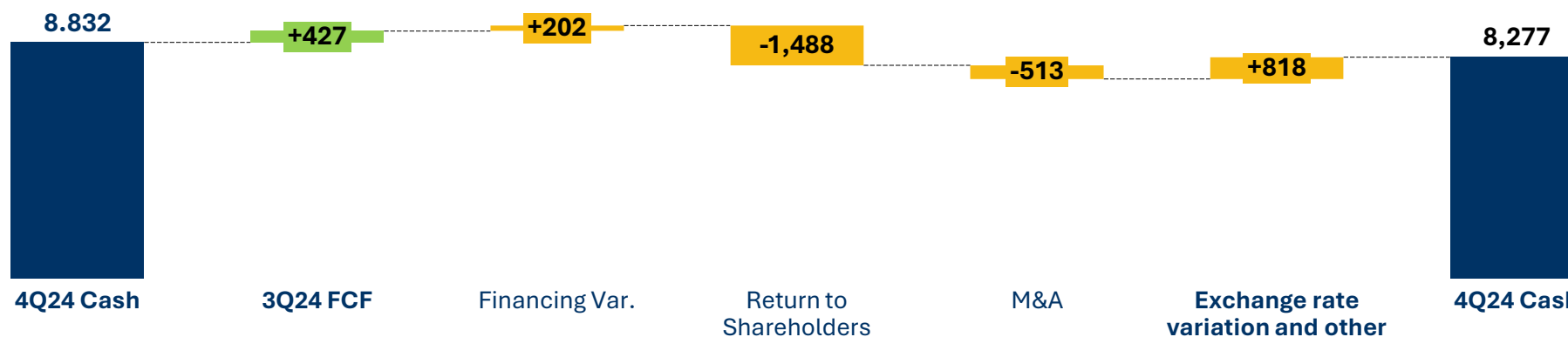
CASH FLOW

(R\$ million)



NET CASH VARIATION

(R\$ million)



¹ Considers FX variation on inventories, customers and suppliers.

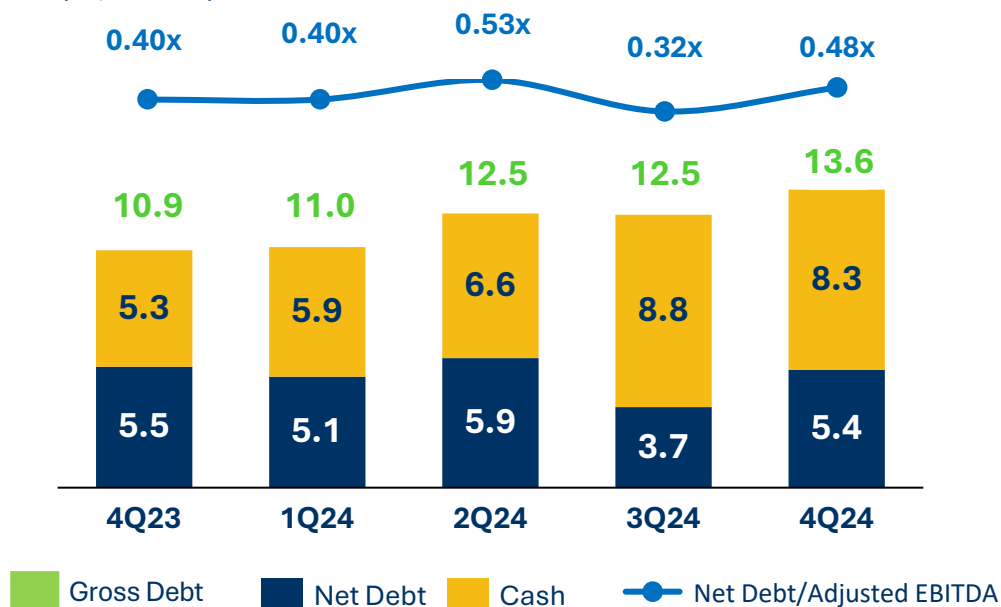
² Includes the cash effect of income tax on the Company's several subsidiaries, including the portion accrued in previous periods, and due in the current period.

³ Includes addition of R\$2,396 million in CAPEX in 4Q24, deducted from R\$404 million not disbursed in 2024.

LIQUIDITY & INDEBTEDNESS

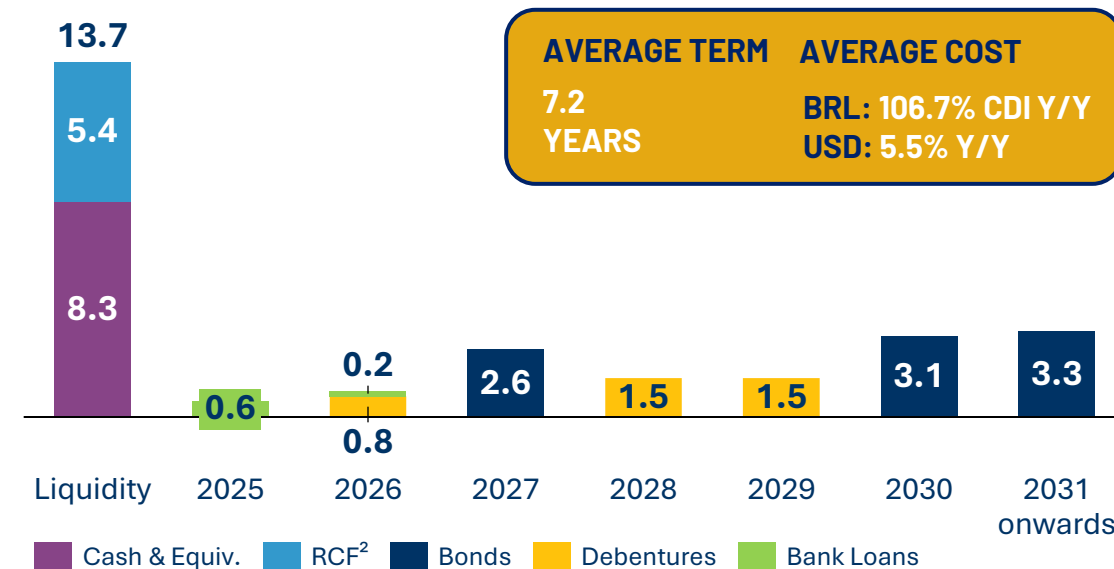
CASH, DEBT AND LEVERAGE

(R\$ billion)



LIQUIDITY POSITION AND DEBT AMORTIZATION¹

(R\$ billion)



¹With no deferred expenses ²Global Revolving Credit Facility

FINANCIAL POLICY

GROSS DEBT 
< R\$12 BILLION

AVERAGE TERM 
> 6 YEARS

NET DEBT/EBITDA 
≤ 1.5X

RATINGS

FitchRatings

BBB STABLE

STANDARD
& POOR'S

BBB STABLE

MOODY'S

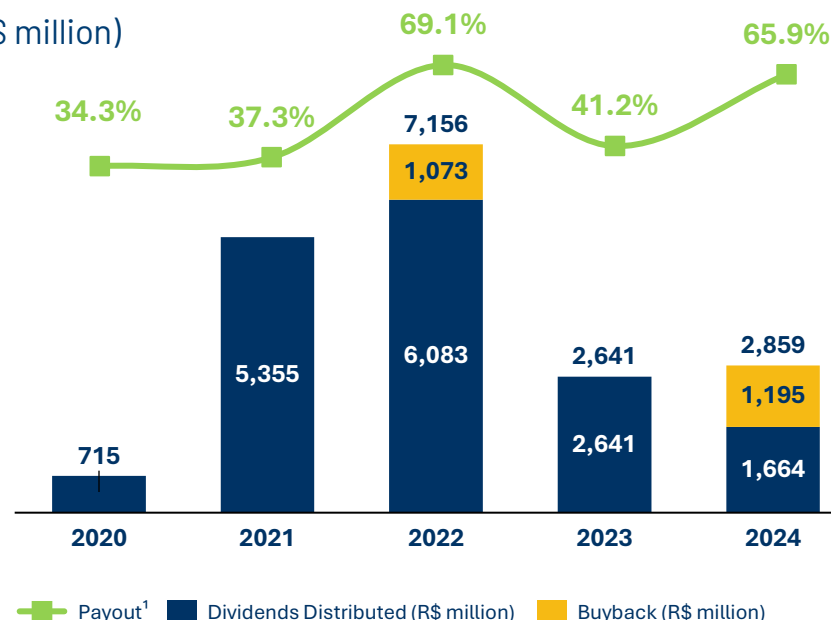
Baa2 STABLE

RETURN TO SHAREHOLDERS

DISTRIBUTION OF DIVIDENDS ABOVE THE MANDATORY MINIMUM AND SOLID IMPLEMENTATION OF THE SHARE BUYBACK PROGRAM

DIVIDENDS

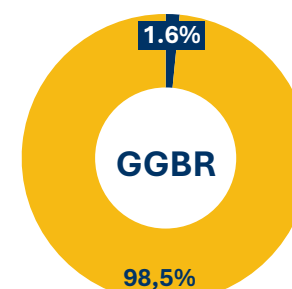
(R\$ million)



NEW SHARE BUYBACK PROGRAM

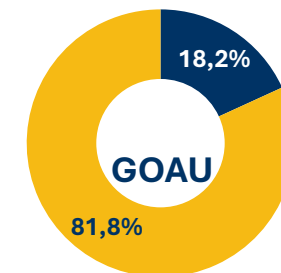
GGBR

- Program total : up to 63.0 million shares
- Repurchased by January 2025: R\$17.2 M GGBR4/GGBR3/GGB



GOAU

- Program total: up to 6.0 million shares
- Repurchased by January 2025: R\$10.7 M GOAU4



Repurchased² To repurchase

DISTRIBUTION OF DIVIDENDS

GERDAU S.A.

	4TH QUARTER	2024
AMOUNT	R\$203.4M	R\$1.7B
PER SHARE	R\$0.10	R\$0.80

METALÚRGICA GERDAU S.A.

	4TH QUARTER	2024
AMOUNT	R\$50.0M	R\$460.6M
PER SHARE	R\$0.05	R\$0.45

1. Shareholder payment / Parent company's net income after recording reserves provided for in Bylaws. 2. Considers the buyback program until Jan/2025.



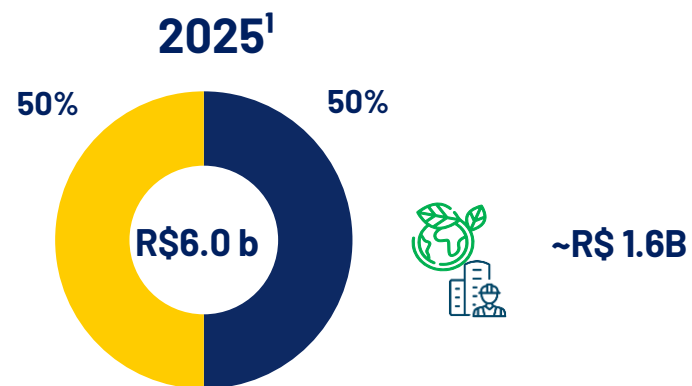
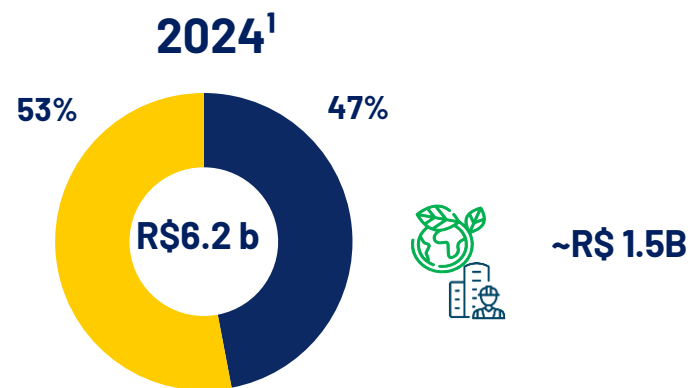
CAPEX

INVESTMENTS IN BUSINESS GROWTH AND COMPETITIVENESS

STRATEGIC
CAPEX

4Q24 | ~R\$1.1 billion

2024 | ~R\$2.8 billion

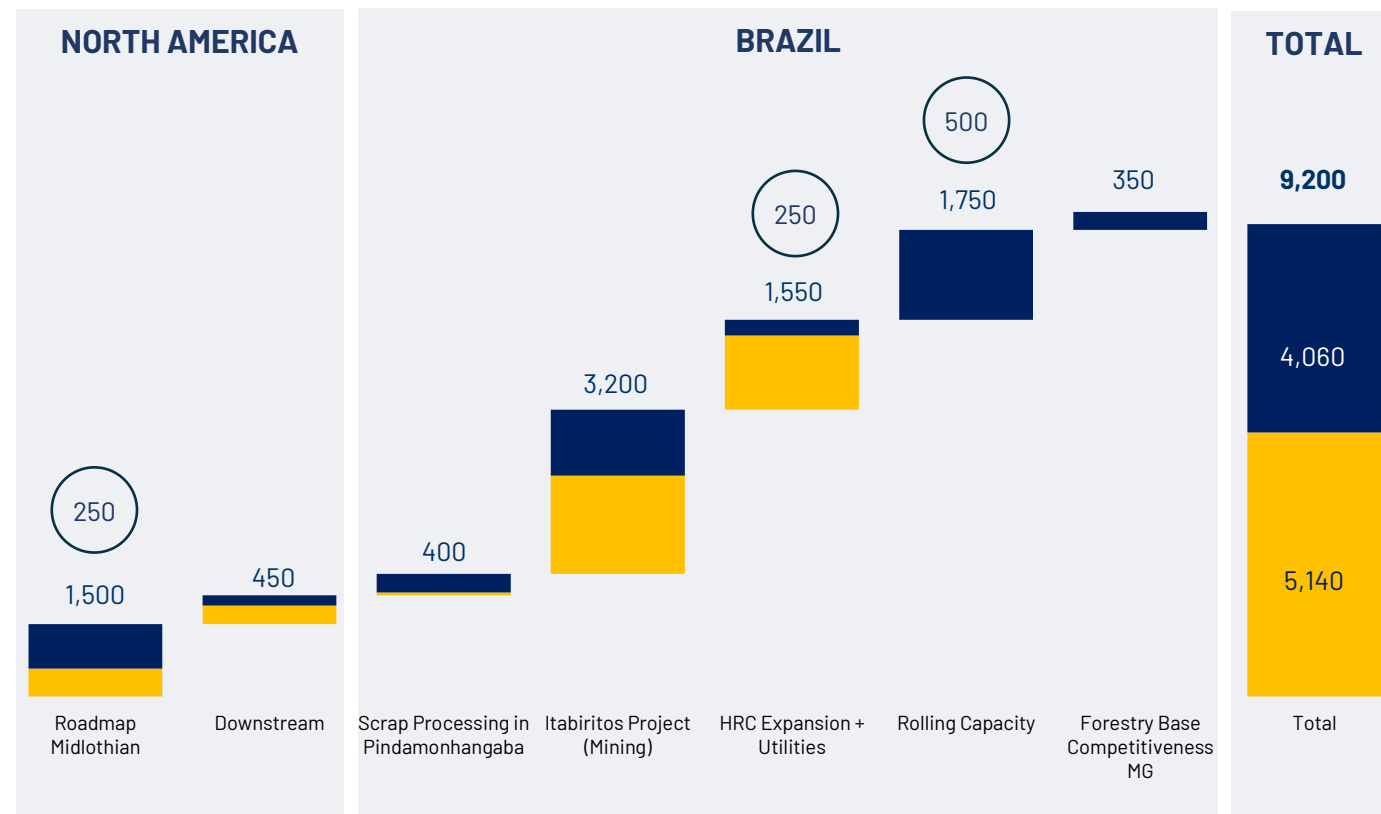


■ Maintenance ■ Competitiveness



Environmental & Safety Returns²

STRATEGIC CAPEX



■ To invest in

■ Already invested

○ Capacity addition³ (Thousand tonnes/year)

¹ It does not consider contributions made by Gerdau Next.

² Investments with environmental and safety returns are included in the CAPEX guidance.

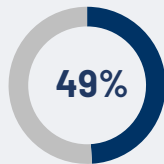
³ After the investment matures

STRATEGIC CAPEX

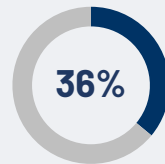
MAIN PROJECTS

ROADMAP MIDLOTHIAN "PHASE 1"

PHYSICAL
ADVANCE



FINANCIAL
ADVANCE



INOP (PHASE 1): 2ND SEMESTER 2025

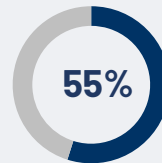
POTENTIAL EBITDA: ~ R\$ 140 MILLION



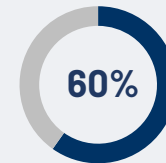
Install of billet handling equipment

ITABIRITOS PROJECT

PHYSICAL
ADVANCE



FINANCIAL
ADVANCE



INOP: 2ND SEMESTER 2026

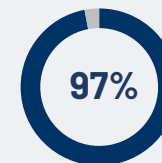
POTENTIAL EBITDA: ~ R\$ 1.1 BILLION



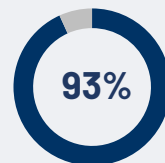
Filtering Concentrated Ore in the Gerdau Ouro Branco Ore Yard

HRC PROJECT

PHYSICAL
ADVANCE



FINANCIAL
ADVANCE



INOP: 1ST QUARTER 2025

POTENTIAL EBITDA: ~R\$ 400 MILLION



New warehouse for HRC stock in Ouro Branco

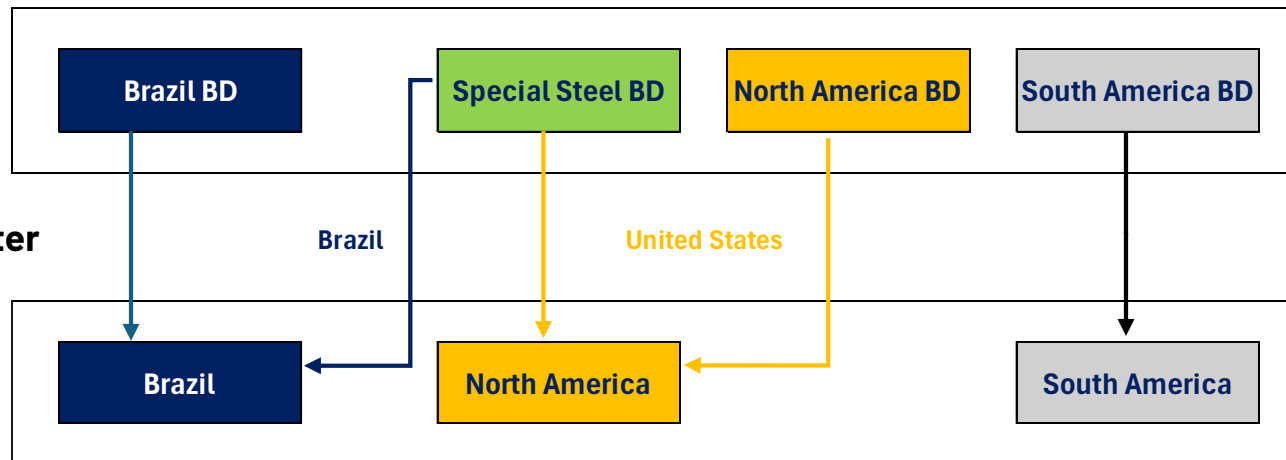


CHANGE IN REPORTABLE SEGMENTS

New configuration of Business Divisions as of 1Q25:

- Brazil
- North America
- South America

Before



Main reasons for the change :

- The steel industry's global scenario has led to an increasing regionalization of markets and business dynamics;
- Improve the presentation and provide greater visibility to the results by the main regions in which the Company operates (USMCA and Brazil);

More information and proforma results:



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Earnings
Release 1Q25
April 28, 2025

Videoconference
April 29, 2025

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